## STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City, Missouri on the 21<sup>st</sup> day of December, 2023.

In the Matter of the Application of Chariton	)
Valley Telephone Corporation and	)
Chariton Valley Broadband, LLC, for an	) File No. TA-2024-0148
Order Authorizing the Transfer (or Grant)	) Tracking No. JI-2024-0063
of Certificate of Public Convenience and	)
Necessity and Designation as Eligible	)
Telecommunications Carrier	)

### ORDER GRANTING CERTIFICATES

Issue Date: December 21, 2023 Effective Date: December 31, 2023

On November 1, 2023, Chariton Valley Telephone Corporation (Chariton Valley Telephone) and Chariton Valley Broadband, LLC (Chariton Valley Broadband, collectively "Joint Applicants") requested a transfer of, or granting of a new, Certificate of Public Convenience and Necessity (Certificate)<sup>1</sup> to provide telecommunications services.<sup>2</sup> The Joint Applicants also requested a transfer of, or grant of a new, designation as an Eligible Telecommunications Carrier (ETC) in the state of Missouri. The requests are due to a corporate restructuring that involves a transfer of all assets from a parent corporation to its subsidiary. Chariton Valley Broadband is a wholly-owned subsidiary of Chariton Valley Telephone.

<sup>&</sup>lt;sup>1</sup> Application to Transfer (or Grant) Certificate of Public Convenience and Necessity and for Designation as an Eligible Telecommunications Carrier and Request for Waiver, filed November 1, 2023, para. 13, stating "This Certificate of Public Convenience and Necessity was issued in September, 1987, and pre-dates subsequent statutory changes implementing Certificates of Service Authority."

<sup>&</sup>lt;sup>2</sup> The Joint Applicants filed the Amended Application pursuant to Sections 392.410, 392.611 and 392.248, RSMo (2016), as well as pursuant to Commission Rules 20 CSR 4240-2.060, -28.011, -31.015 and -31.016.

Pursuant to the application, there will be no changes to rates or service for customers beyond the new name of the provider. The Joint Applicants also requested waiver of the 60-day notice requirement of Commission Rule 20 CSR 4240-4.017(1), and filed the good cause affidavit as allowed by subdivision D of that rule.

On November 8, 2023, the Joint Applicants filed an amended application (Amended Application) and filed a tariff adoption notice. That adoption notice was assigned Tracking No. JI-2024-0063, and has an effective date of January 1, 2024. The Amended Application requested an order to be issued that would be effective before January 1, 2024, to coincide with the beginning date of support from the Federal Communications Commission via its Alternate Connect America Cost Model support.<sup>3</sup>

The Staff of the Commission (Staff) filed its Recommendation and Memorandum on December 1, 2023. Staff supported the application of the Joint Applicants and recommended the Commission approve the transfers, or grant the certificates, as requested.

### **Certificate of Public Convenience and Necessity (Certificate)**

Chariton Valley Telephone was granted its Certificate in File No. TA-88-45. Pursuant to Section 386.020(22) RSMo, (Supp. 2022), Chariton Valley Broadband will be a "successor in interest" to Chariton Valley Telephone and, therefore, is an incumbent local exchange carrier (ILEC).<sup>4</sup> Section 392.410.5, RSMo, states that the Commission, upon notice and a hearing,<sup>5</sup> may review and modify the terms of any certificate of public

<sup>4</sup> Section 386.020(22) states: "Incumbent local exchange telecommunications company", a local exchange telecommunications company authorized to provide basic local telecommunications service in a specific geographic area as of December 31, 1995, or a successor in interest to such a company."

<sup>&</sup>lt;sup>3</sup> Amended Application, para. 4.

<sup>&</sup>lt;sup>5</sup> The Commission need not hold a hearing, if, after proper notice and opportunity to intervene, no party requests such a hearing. *State ex rel. Rex Deffenderfer Enterprises, Inc. v. Public Service Commission*, 776 S.W.2d 494 (Mo. App. W.D. 1989).

convenience and necessity issued prior to September 28, 1987, in order to conform with the requirements of Chapter 392 of the Missouri Statutes. Chariton Valley Telephone was issued its Certificate on September 19, 1987.<sup>6</sup>

Section 392.410.4, RSMo requires a new certificate of service when a telecommunications carrier substantially alters the nature or scope of services, or adds or expands services beyond the certificated authority. The Commission finds that the services that will be offered by Chariton Valley Broadband are substantially the same as the services currently offered by Chariton Valley Telephone, and thus no new certificate need be issued.

Commission Rule 20 CSR 4240-28.011(4) addresses the sale, merger or consolidation of a telecommunications company with an existing certificate. That rule states that a company should provide notice to the Commission if the transaction results in a name change. After this transfer, Chariton Valley Telephone will cease to exist and Chariton Valley Broadband will be the entity solely responsible for providing telecommunications and broadband services to Chariton Valley Telephone's customers.

Commission Rule 20 CSR 4240-28.011(2) requires for a name change that the Company provide notice of the new name and when it takes effect, proves registration of the new name with the Missouri Secretary of State, update the contacts in the Commission's electronic filing and information system, and either replace or adopt the existing tariff of the transferring company. Staff stated that the Joint Applicants have met the requirements of Commission Rule 20 CSR 4240-28.011. The Commission has reviewed the pleadings and agrees with Staff. The Commission will grant the request of

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<sup>&</sup>lt;sup>6</sup> Amended Application, pp. 1-2.

the Joint Applications to modify its existing Certificate under Section 392.410.5, pursuant to the name change requirements as set forth by Commission Rule 20 CSR 4240-28.011.

### **ETC** designation

The Federal Communications Commission (FCC) awarded funding through a specialized program to Chariton Valley Telephone, for which it was required to be a designated an eligible telecommunications carrier (ETC). According to the Joint Applicants, the Universal Service Administrative Company (USAC), created by the FCC, will not transfer the ETC status to Chariton Valley Broadband without first receiving the approval of this Commission.

Neither the currently effective statutes relevant to telecommunications service nor the Commission's rules address the transfer of an ETC designation. Therefore, the Commission will treat the Amended Application as a request for a new ETC designation.

Staff stated that it determined that Chariton Valley Broadband has met the requirements of the Commission's rule regarding ETC applications, 20 CSR 4240-31.016. The Commission has reviewed the pleadings and agrees with Staff. The Commission will grant a new ETC designation to Chariton Valley Broadband. That ETC designation will be the same as the current ETC designation granted to Chariton Valley Telephone.

### **IXC Certificate of Service Authority**

Chariton Valley Telephone also received a Certificate of Service Authority to provide interexchange (IXC Certificate) services in File No. TA-2006-0159. Chariton Valley Broadband seeks to continue providing those services. However, Section 392.410.2, which addresses IXC telecommunications services does not authorize transfers of certificates of service authority. Rather, the statute states that an applicant must apply for such certificate.

Therefore, the Commission will review the Joint Applicants' request regarding its IXC Certificate as an application for a new certificate, as both the Amended Application and the Staff Recommendation and Memorandum sought or recommended either a transfer or a grant of a new certificate.

Staff stated that the Joint Applicants have met the requirements of Commission Rule 20 CSR 4240-28.011, which addresses applications for new IXC Certificates. The Commission has reviewed the pleadings and agrees with Staff. The Commission will grant the request of the Joint Applicants for a grant of a new IXC Certificate to Chariton Valley Broadband. That IXC Certificate will be the same as the current IXC Certificate granted to Chariton Valley Telephone.

### Conclusion

Staff further recommended that the Commission grant the tariff adoption notice of the currently effective tariff, and grant a waiver of the 60-day notice of case filing requirement. On December 7, 2023, the Joint Applicants filed its concurrence in Staff's Recommendation. No other responses or objections were filed regarding either the application or Staff's Recommendation.<sup>7</sup>

The Commission finds that Chariton Valley Broadband is an ILEC as defined by Section 386.020(22). The Commission further finds that Chariton Valley Broadband will have the identical service and study area as Chariton Valley Telephone; provide the same telecommunications and broadband services pursuant to the same rates, terms and conditions as Chariton Valley Telephone; and make the same filings with the Commission, as well as maintain and update its contacts in EFIS, as Chariton Valley Telephone.

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<sup>&</sup>lt;sup>7</sup> 20 CSR 4240-2.080(13).

The Commission has reviewed the pleadings, including the Amended Application, the Staff Recommendation, and the tariff adoption notice and finds that the Joint Applicant's Amended Application for a grant of a modification by name change of its Certificate, granting of a new ETC designation, and granting of a new IXC Certificate complies with all statutory and rule requirements.

The Commission further finds that Joint Applicants have met 20 CSR 4240-4.017(1)(D)'s requirements for a good cause waiver of the 60-day notice of case filing requirement. To make this order effective by the date requested, the Commission finds it reasonable to make this order effective in less than 30 days.

### THE COMMISSION ORDERS THAT:

- Chariton Valley Telephone's existing Certificate is modified pursuant to Section 392.410.5 to change the name of the telecommunications service provider to Chariton Valley Broadband.
  - 2. Chariton Valley Telephone's ETC designation in Missouri is terminated.
- 3. Chariton Valley Broadband is granted ETC designation in the service area listed in Exhibit 5 of the Amended Application for the purpose of receiving federal high-cost support and federal and state low-income support.
- 4. Chariton Valley Telephone's certificate to provide interexchange service is terminated.
- 5. Chariton Valley Broadband is granted a certificate to provide interexchange service.
- 6. The tariff adoption notice filed on November 8, 2023, and assigned Tracking No. JI-2024-0063, is approved to become effective on January 1, 2024.

7. This order shall become effective on December 31, 2023.



BY THE COMMISSION

Nancy Dippell Secretary

Rupp, Chm., Coleman, Holsman, Kolkmeyer and Hahn CC., concur.

Hatcher, Senior Regulatory Law Judge

### STATE OF MISSOURI

### OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 21<sup>st</sup> day of December 2023.

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Nancy Dippell Secretary

# MISSOURI PUBLIC SERVICE COMMISSION December 21, 2023

### File/Case No. TA-2024-0148

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Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).

Sincerely,

Nancy Dippell Secretary

Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.