

ANDREW O. ISAR

7901 SKANSIE AVENUE, SUITE 240 GIG HARBOR, WA 98335 TELEPHONE: 253.853.6700 FACSIMILE: 253.853.6474 STTP://WWW.MILLERISAR.COM

Via Electronic Delivery

December 26, 2007

Ms. Pam Bonrud Executive Secretary South Dakota Public Utilities Commission State Capitol Building, 1st Floor 500 East Capitol Avenue Pierre, South Dakota 57501

RE: Consumer Telcom, Inc. Application for a Certificate of Authority

Dear Ms. Bonrud:

Enclosed for filing with the South Dakota Public Utilities Commission ("Commission"), is Consumer Telcom, Inc.'s ("Consumer Telcom") Application for Certificate of Authority to Provide Non-Facilities-Based Interexchange Telecommunications Services Throughout the State of South Dakota ("Application"). A \$250.00 Commission filing fee has contemporaneously been forwarded with a copy of this Transmittal letter, via overnight delivery

Exhibit C to the Application contains a copy of proprietary financial statements and cash flow projection, as required by Commission rules. The Company requests that the Commission treat Exhibit C as confidential information, to be reviewed by Commission staff only in the performance of their governmental duties, and not released to the public. Documents in Exhibit C are stamped "Confidential," accordingly.

Please acknowledge receipt of this filing by electronic mail and by file-stamping and returning the hard copy of this transmittal letter in the self-addressed, postage-paid envelope provided for this purpose.

Thank you for your attention to this matter. Questions regarding this filing may be directed to the undersigned.

Sincerely,

MILLER ISAR, INC. Andrew Ö. Isar

Enclosures

Regulatory Consultants to Consumer Telcom, Inc.

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

In the Matter of the Application)of Consumer Telcom, Inc)for a Certificate of Authority to Provide)Non-Facilities-Based Interexchange)Telecommunications Services)Throughout the State of South Dakota._)

Docket No.

APPLICATION

Consumer Telcom, Inc, ("Applicant"), by its undersigned regulatory consultants, and

pursuant to SDCL 49-31-3 and ARSD §20:10:42:02, hereby applies to the South Dakota Public

Utilities Commission ("Commission") for a Certificate of Authority to provide non-facilities-

based, resold local exchange access service throughout the State of South Dakota. In support of

its Application, Applicant states as follows:

(1) IDENTIFICATION OF APPLICANT

Applicant's name, address, telephone number facsimile number, E-mail and web site address are (ARSD §20:10:42:02(1)):

Consumer Telcom, Inc. 701 N. Green Valley Parkway, Suite 200 Henderson, Nevada, 89014 Telephone: 800.872.3811 Facsimile: 800.872.1562 Email: customer service [at] consumertelcom [dot] com Web Site: www.consumertelcom.com

The name under which the applicant will provide these services if different than in subdivision (1) of this section (ARSD §20:10:42:02(2)):

Applicant will provide services under its own name, Consumer Telcom, Inc., in the State

of South Dakota.

(2) CORPORATE AND OWNERSHIP INFORMATION

If the applicant is a corporation: (ARSD §20:10:42:02(3)):

(a) The state in which it is incorporated, the date of incorporation, and a copy of its certificate of incorporation or, if it is an out-of-state corporation, a copy of its certificate of authority to transact business in South Dakota from the Secretary of State;

Applicant is a privately-held corporation organized under the laws of the State of Nevada

on September 23, 1998. A copy of Applicant's Articles of Incorporation is attached hereto at

Exhibit A. A copy of Applicant's Certificate of authority to transact business in South Dakota

from the Secretary of State is attached hereto at Exhibit B.

(b) The location of its principal office, if any, in this state and the name and address of its current registered agent; and

Applicant's will not maintain a physical office in the State of South Dakota. Applicant's

current registered agent in the State of South Dakota is:

National Registered Agents, Inc. 300 South Phillips Avenue, Suite 300 Sioux Falls, SD 57104-6322

(c) The name and address of each corporation, association, partnership, cooperative, or individual holding a 20 percent or greater ownership or management interest in the applicant corporation and the amount and character of the ownership or management interest;

Applicant's is solely owned by its President who maintains full ownership and

management interest in the Applicant corporation:

Joseph A. Nicotra Consumer Telcom, Inc. 701 N. Green Valley Parkway, Suite 200 Henderson, Nevada, 89014 Telephone: 800.872.3811 Facsimile; 800.872.1562 Applicant does not have an ownership or other interest in any other entity, nor does any other entity maintain any ownership interest in Applicant.

(3) <u>APPLICANT'S PROPOSED TELECOMMUNICATIONS SERVICE</u>

A description of the telecommunications services the applicant intends to offer (ARSD §20:10:42:02(5)); A detailed statement of the means by which the applicant will provide its services (ARSD §20:10:42:02(6)):

Applicant proposes to provide resold non-facilitics-based, switched access, outbound

interexchange telecommunications services for the direct transmission and reception of voice and

data between locations throughout the State of South Dakota. Applicant's network services are

provided by Applicant's underlying carrier, Global Crossing.

(4) <u>GEOGRAPHIC AREAS OF SERVICE</u>

The geographic areas in which the services will be offered or a map describing the service area (ARSD $\S20:10:42:02(7)$):

Applicant proposes to make its services available throughout the State of South Dakota.

(5) <u>FINANCIAL INFORMATION</u>

Current financial statements of the applicant including a balance sheet, income statement, and cash flow statement; a copy of the applicant's latest annual report; a copy of the applicant's report to stockholders; and a copy of applicant's tariff with the terms and conditions of service (ARSD §20:10:42:02(8)):

Applicant's financial statements for the most recent half year are attached hereto at

Exhibit C. Applicant also provides a projected cash flow statement included at Exhibit C.

Applicant respectfully requests confidential treatment of its financial information and has filed

this information under seal, accordingly. Applicant does not prepare an annual report nor report

to stockholders.

(6) CONTACT, BILLING, AND CUSTOMER SEVICE INFORMATION

The names, addresses, telephone number, fax number, E-mail address, and toll free number of the applicant's representatives to whom all inquiries must be made regarding complaints and regulatory matters and a description of how the applicant handles customer billings and customer service matters (ARSD §20:10:42:02(9)):

The name, address, telephone number, fax number, E-mail address, and toll free number

of the Applicant's representatives to whom all inquiries must be made regarding complaints and

regulatory matters is:

Complaints to Customer Service Regulatory matters to Mr. Joseph A. Nicotra

Consumer Telcom, Inc. 701 N. Green Valley Parkway, Suite 200 Henderson, Nevada, 89014 Telephone: 800.872.3811 Facsimile: 800.872.1562 Email: customer service [at] consumertelcom [dot] com

Applicant bills customers monthly through incumbent local exchange carrier billing in

accordance with established Company rates.

Applicant maintains in-house customer service representatives, overseen by a Customer Service Manager. Customer service representatives are available twenty four hours per day, to respond to billing, service, and repair complaints.

The customer's first point of contact for billing or service complaints is Applicant's Customer Service Department's trained representatives. If, after contacting Applicant's customer service representative, the customer remains dissatisfied, the customer may be connected with Applicant's Customer Service Manager. Customers will be advised that they may contact the Commission at any time for assistance in the resolution of any issue concerning the Applicant's telecommunications service.

In instances of service affecting issues or outages, Applicant will contact the designated service representative of the underlying carrier providing the network services to report the trouble and ascertain the estimated time of repair. The underlying carrier will take corrective procedures and will report the resolution of the trouble to Applicant. The company will then immediately contact the customer and will verify with the customer that service has been restored.

Applicant does not collect deposits, advanced payments, or prepayment of recurring fees. Further, Applicant does not provide prepaid services. All charges and recurring fees are billed in arrears.

(7) <u>OTHER STATE AUTHORITY</u>

A list of the states in which the applicant is registered or certified to provide telecommunications services, whether the applicant has ever been denied registration or certification in any state and the reasons for any such denial, a statement as to whether or not the applicant is in good standing with the appropriate regulatory agency in the states where it is registered or certified, and a detailed explanation of why the applicant is not in good standing in a given state, if applicable (ARSD §20:10:42:02(10)):

Applicant has applied for and has been granted authority to provide resold interexchange service in the following states: Arkansas, California, Colorado, Florida (pending), Georgia, lowa, Kansas, Maryland, Massachusetts, Mississippi, Montana, Nebraska, New Hampshire, New Jersey, New Mexico. New York, Nevada, North Carolina. Oregon. Pennsylvania, Tennessee, Texas, Utah, Virginia. Washington, Wisconsin. West Virginia, and Wyoming. Applicant has never been denied registration or certification in any state. Applicant remains in good standing with all regulatory agencies in the states where it is registered or certified.

(8) <u>MARKETING</u>

A description of how the applicant intends to market its services, its target market, whether the applicant engages in any multilevel marketing, and copies of any company brochures used to assist in the sale of services (ARSD §20:10:42:02(11)):

Applicant markets its services through its in-house telemarketers. It does not use any brochures to assist in the sale of services. Consumers may obtain additional information through Applicant's web site, or from Applicant's customer service representatives. Applicant does not engage in multilevel marketing

$(9) \qquad \underline{COST \ SUPPORT}$

Cost support for rates shown in the company's tariff for all noncompetitive or emerging competitive services (ARSD §20:10:42:02(12)):

Applicant maintains that its interexchange services are competitive. Nevertheless,

Applicant's costs are a direct function of its underlying carrier's network service costs, payroll,

paid commissions, and other operational costs, balanced with maintaining a competitive rates.

(10) ADDITIONAL INFORMATION IN SUPPORT OF APPLICATION

Federal tax identification number (ARSD §20:10:42:02(13)):

Applicant's Federal Employer Identification Number is 88-0408027. Applicant has

registered with the South Dakota Department of Revenue; Sales Tax number 73-017515-7. 1

The number and nature of complaints filed against the applicant with any state or federal regulatory commission regarding the unauthorized switching of a customer's telecommunications provider and the act of charging customers for services that have not been ordered (ARSD §20:10:42:02(14)):

¹ This South Dakota Department of Revenue; Sales Tax number has been issued to BSG Clearing Solutions, the entity engaged by Applicant for incumbent local exchange carrier billing of Applicant's subscribers. BSG Clearing Solutions is responsible for payment of all associated taxes on Applicant's behalf.

No state or federal or state regulatory Commission has filed formal complaints against Applicant. Applicant maintains strict compliance with federal unauthorized account transfer regulations, 47 C.F.R. §64.1100 *et seq.*

A written request for waiver of those rules the applicant believes to be inapplicable; and (ARSD §20:10:42:02(15)):

Applicant requests that the bonding requirement as set forth in ARSD 20:10:24:04.05 be waived. Applicant does not now, nor will it in the future, collect deposits, advanced payments, or prepayment of recurring fees, nor does Applicant provide prepaid services as noted in paragraph 6, *supra*. Applicant further requests that any rule that has been deemed inapplicable to competitive interexchange carriers and waived for other interexchange carrier applicants, be waived for Applicant.

Other information requested by the commission needed to demonstrate that the applicant has sufficient technical, financial, and managerial capabilities to provide the interexchange services it intends to offer consistent with the requirements of this chapter and other applicable rules and laws (ARSD §20:10:42:02(16)):

Applicant submits the following reasons in support of its belief that the public interest will be served by the approval of this Application:

(1) While providing its customers with cost advantages realized by Applicant's service. Applicant's service will necessarily utilize existing carrier communications facilities more efficiently through increased usage and provide greater revenues for local exchange carriers by way of additional exchange access through other carriers.

(2) Commission approval of this Application will bring the following long-term benefits to the public:

(a) greater value to customers through lower priced, better quality network services:

(b) innovative network services and routing;

(c) increased carrier choice in exchange access services utilizing advanced technology;

(d) efficient use of existing telecommunications resources as well as increased diversification and reliability in South Dakota networks; and

(e) an additional tax revenue source for the State of South Dakota.

(11) APPLICANT'S APPLICATION CONTACT INFORMATION

Correspondence and communications regarding this Application may be directed to:

Andrew O. Isar Miller Isar, Inc. 7901 Skansie Avenue, Suite 240 Gig Harbor, Washington 98335 Telephone: 253.851.6700 Facsimile: 253.851.6474 E-Mail: <u>aisar@millerisar.com</u>

Wherefore, Consumer Telcom, Inc. respectfully requests that the Commission issue an

order granting Consumer Telcom. Inc authority to provide non-facilities-based resold

interexchange services throughout the State of South Dakota.

Respectfully submitted, this $\underline{\mathfrak{S}^{\prime\prime\prime}}$ day of December, 2007.

CONSUMER TELCOM, INC By:

Joseph A. Nicotra, President 701 N. Green Valley Parkway, Suite 200 Henderson, Nevada, 89014 Telephone: 800.872.3811

Andrew O. Isar Miller Isar, Inc. 7901 Skansie Avenue, Suite 240 Gig Harbor, WA 98335 Telephone: 253.851.6700 Facsimile: 253.851.6474 E-Mail: aisar@millerisar.com

Regulatory Consultants for Consumer Telcom, Inc.

VERIFICATION OF APPLICANT

STATE OF CALIFORNIA)		
)	SS	Ś,
COUNTY OF ORANGE)		

I, Joseph A. Nicotra, being first duly sworn and deposed, state that I am President of Consumer Telcom, Inc. and am authorized to make this Verification on its behalf.

The statements in the foregoing Application are true of my own knowledge, except as to matters which are stated on information on belief, and as to those matters I believe them to be true.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on $\underline{-z_2}^{(A)}$ December, 2007 at Irvine, CA

CONS&MER TELCO By: DE 6seph A. Nicotra, President

Subscribed and sworn to before me this $\frac{1}{2}$ day of December, 2007.

See attached Jurat

State of California County of ICN 22	<u></u>		
Subscribed and swo before me on this	- SKC Maine	day of	<u>\$7</u> , by
personally known to satisfactory evide to before me. (seal) Signatums	me bripins site be the site	≥en lo rije on '	
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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

In the Matter of the Application)		
of Consumer Telcom, Inc)		
for a Certificate of Authority to Provide)	Docket No.	
Non-Facilities-Based Interexchange)		
Telecommunications Services)		
Throughout the State of South Dakota.	_)		

LIST OF EXHIBITS

EXHIBIT A	ARTICLES OF INCORPORATION
EXHIBIT B	SOUTH DAKOTA CERTIFICATE OF AUTHORITY TO TRANSACT BUSINESS
EXHIBIT C	CONFIDENTIAL FINANCIAL STATEMENTS

EXHIBIT A

ARTICLES OF INCORPORATION (Attached)



i. *BILL JONES*. Secretary of State of the State of California, hereby certify:

That the attached transcript has been compared with the record on file in this office, of which it purports to be a copy, and that it is full, the and correct.

> *IN WITNESS WHEREOF*, Lexecute this certificate and affix the Creat Seglicitize State of California this

> > 979 94 1998 -





Secretary of State

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ARTICLES OF INCORPORATION

OF

ENDORSED - ELED In the office of the Secretary of Stole of the State of California

SEP 23 1998

CLEAN EARTH ENERGY, INC.

BILL JCHES, Secretary of State

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The same of this corporation is CLEAN EARTH ENERGY, INC.

£Τ

The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be orcanized under the General. Corporation Law of the State of California other than the backing buginess, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

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The name and address in the State of California of this corporation's initial agant for service of process is:

John J. Stanton 2560 North Santlago Boulevard Orange, California 92867-1862

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This corporation is Authorized to issue only one class of shares of stock, designated "common shock" and the total number of shares which this corporation is authorized to issue is One Hundred Thousand (100,000).

This corporation is a close corporation. The issued shares of all classes of stock issued by this corporation shall be held of record by nou sore than thirty five (35) persons.

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The liability of the directors of the corporation for monetary damages hall be eliminated to the fullest extent permissible under California (aw.

The corporation is authorized to provide indemnification of agents (as efined in Section 3)7 of the California Corporations Code) for breach of ary to the corporation and shareholders through By-Law provisions or prough agreements with the agents, or both, in excess of the idennification otherwise permitted by Section 317 of the California orporations Code, subject to the limits on excess indemnification set with in Section 204 of the Celifornia Corporations Codex

AN J. STANTON Idorporator

CERTIFICATE OF AMENDMENT OF

ARTICLES OF INCORPORATION OF



CLEAN EARTH ENERGY, INC.,

A CALIFORNIA CORPORATION.

I, Daniel Cletis, centry limb

 If the first be sole Director of the Board of Directors of Clean Erric Energy, Inc. and F investor the President and Secretary of the Corporation.

2. Article 1, of the Articles of Innorperation is emended to readize follows:

"I. The name of the corporation is "Censumer Teleoin, hus."

3. This foregoing A neulment of Articles of Incorporation has been duly approved by the Board of Directors.

4. The foregoing Amondment has been duly approved by the required vote of Shareholders in accordance with Section 902 (904) of the Corporations Code. The corporation has only one class of shares and the number of outstanding shares is Oue Hundred Thousand (100,009). The mimber of shares voting in favor of the Amendment equaled or exceeded the vote required. The percent vote required was more than fifty percent (50%).

Date: December 11, 2001

CIRTIN President and Secretary

The undersigned declares under penalty of perjury that the matters set forth in the foregoing Certificate are true and correct of my own movile ge and that this declaration was executed on the 11th day of December, 2001, or living California.

Secretary of State

CERTIFICATE OF STATUS DOMESTIC CORPORATION

I, DEBRA BOWEN, Secretary of State of the State of California, hereby certify:

That on the **23RD day of SEPTEMBER, 1998, CONSUMER TELCOM, INC.** became incorporated under the laws of the State of California by filing its Articles of incorporation in this office; and

That said corporation's corporate powers, rights and privileges are not suspended on the records of this office; and

That according to the records of this office, the said corporation is authorized to exercise all its corporate powers, rights and privileges and is in good legal standing in the State of California; and

That no information is available in this office on the financial condition, business activity or practices of this corporation.

IN WITNESS WHEREOF, I execute this certificate and affix the Great Scal of the State of California this day of April 3, 2007.



ches Bowen

DEBRA BOWEN Secretary of State

EXHIBIT B

SOUTH DAKOTA CERTIFICATE OF AUTHORITY TO TRANSACT BUSINESS (Attached)

State of South Bakota



OFFICE OF THE SECRETARY OF STATE

Certificate of Authority

ORGANIZATIONAL ID #: FB032250

I, Chris Nelson, Secretary of State of the State of South Dakota, hereby certify that the Application for a Certificate of Authority of **CONSUMER TELCOM**, **INC. (CA)** to transact business in this state duly signed and verified pursuant to the provisions of the South Dakota Corporation Acts, have been received in this office and are found to conform to law.

ACCORDINGLY and by virtue of the authority vested in me by law, I hereby issue this Certificate of Authority and attach hereto a duplicate of the application to transact business in this state.



IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State of South Dakota, at Pierre, the Capital, this December 12, 2007.

Chi Nelson

Chris Nelson Secretary of State

Cert of Authority Merge



Secretary of State, Corporations Division 500 E. Capitol Avenue, Pierre SD 57501 Phone 605-773-4845, Fax 605-773-4550

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FILENCING FEE (\$550 1007 App.	lication for Ce	rtificate of Authority	
delivering this hyplication to the Office of the be submitted. This application must include	ic Secretary of State for a CERTIFICATE OF	r a certificate of authority to transact business in South Dakota by for filing. One ORIGINAL and One COPY of the application must EXISTENCE, or a document of similar import, duly authenticated ate records in the state or country under whose law it is	
()) The name of the corporation is (exact copo Consumer Telepin, inc.	rate name including corpor	rotion, company, incorporated, limited or an abbreviation of one of such words)	
(2) State where incorporated California		(3) The date of its incorporation is 09/23/1998	
and the period of its duration is perpetual			
(4) The address of its principal office in the s 7 701 North Green Valley Pkwy, Ste 200, Henc	-	the laws of which it is incorporated isZip Code _89014	
mailing address if different from above is:			
1783 of Gulleste AVE	<u></u>	Quine Con Zip Code_ 93614	
(5) The street address, or a statement that the	re is no street address	s, of its registered office in the State of South Dakota is	
300 South Phillips Avenue, Suite 300, Sloux	Falis, SD	Zip Code 57104-6322	_
and the name of its registered agent in the Sta	ite of South Dakota at	t that address is <u>National Registered Agents, Inc.</u>	—
(6) The names and usual business addresses of			
	Officer Title President	Street Address City State Zip	,
Joseph A. Nicotra	President	701 North Green Valley Pixwy, Ste 200, Henderson, NV 8901	-
Joseph A. Nicotra	Secretary Director	701 North Green Valley Pkwy, Ste 200, Henderson, NV 8901	-
Joseph A. Nicotra	Director	701 North Green Valley Pkwy, Ste 200, Henderson, NV 8901	- -
		$A - 1 \wedge 1 \rightarrow 1$	-
The application must be signed by an authorit	zed officer of the cory	poration.	
December 10, 2007		- ps-1///	-++
		Signature	
		scseph A. Nicotra	<u> </u>
		Printed Name	
		President Title	
27.沉云并为水水水石,其又以大大大大大大大大大大大大大大大大大大大大大大大大	大学说头子是实际的人名英格兰	******	*
The Consent of Appointme	at below must be sign	ned by the registered agent listed in number five.	
Consent	of Appointmer	nt by the Registered Agent	
I, National Registered Agents, In		, hereby give my consent to serve as the registered	
agent for <u>Consumer Telcom, Inc.</u>			
(corporate name)		AUN/Juff Carol Shelto	n
Dated December 11 2	0 <u>0,7</u>	(signature of registered agent)	e
			_

foreignoertificateofauthority July 2005

EXHIBIT C

CONFIDENTIAL FINANCIAL STATEMENTS (Attached)

PLEASE TAKE NOTICE: Applicant considers its financial statements and cash flow projections to be proprietary and confidential, pursuant to ARSD 20:10:01:41, Requests for confidential treatment of information, as set forth below:

(1) An identification of the document and the general subject matter of the materials or the portions of the document for which confidentiality is being requested;

Income statement, balance sheet, and cash flow projections.

(2) The length of time for which confidentiality is being requested and a request for handling at the end of that time. This does not preclude a later request to extend the period of confidential treatment;

Applicant requests that confidentiality be maintained for a period of one year, after which the documents may be destroyed.

(3) The name, address, and phone number of a person to be contacted regarding the confidentiality request;

Andrew O. Isar Miller Isar, Inc. 7901 Skansic Avenue, Suite 240 Gig Harbor. Washington 98335 Telephone: 253.851.6700 Facsimile: 253.851.6474 E-Mail: aisar [at] millerisar [dot] com

(4) The statutory or common law grounds and any administrative rules under which confidentiality is requested. Failure to include all possible grounds for confidential treatment does not preclude the party from raising additional grounds in the future; and

ARSD 20:10:01:39(4) Trade secrets or other confidential research. development, or commercial information recognized and protected by SDCL 15-6-26(c)(7) or other law.

(5) The factual basis that qualifies the information for confidentiality under the authority cited.

The data contained in confidential documents reveal the size, nature, and scope of Applicant's business and financial operations to competitors and potential competitors and constitute "Trade Secrets, as defined. Therefore, the Applicant requests that the Commission treat Applicant's Balance Sheet and Income Statement as proprietary, to maintain the confidentiality of the data contained therein. Applicant's financial statements are submitted under protective seal, accordingly.