BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

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IN THE MATTER OF THE APPLICATION OF TELEPORT COMMUNICATIONS AMERICA, LLC FOR A CERTIFICATE OF AUTHORITY TO PROVIDE LOCAL EXCHANGE SERVICES WITHIN THE STATE OF SOUTH DAKOTA

DOCKET NO. TC 13 -

APPLICATION

Application is hereby made to the South Dakota Public Utilities Commission ("Commission") pursuant to ARDS 20:10:32:03 for an Order granting Teleport Communications America, LLC ("TCAL" or "Applicant") a Certificate of Authority ("COA") to provide Local Exchange Services in the State of South Dakota.

TCAL and its affiliate, TC Systems, Inc., ("TCS") are subsidiaries of Teleport Communications Group Inc. ("TCGI"), which is a wholly owned subsidiary of AT&T Corp. TCAL has been created for the purpose of consolidating in a single TCGI subsidiary the provision of intrastate telecommunications services that historically have been provided by multiple state-specific or regional Teleport entities, including TCS. In a separate application, TCS and TCAL are requesting authority to transfer TCS's assets on or about October 31, 2013, to TCAL. As of that date, the services now provided in South Dakota by TCS will be provided by TCAL. Exhibit A hereto illustrates the relevant corporate structure with regard to the services TCS is authorized to provide in the State of South Dakota before and after the proposed transaction. The issuance of a COA to TCAL to provide local exchange services is in the public interest. After the proposed transaction, TCAL proposes to provide the same local exchange services that TCS was authorized to provide on January 9, 2012, in Docket No. TC11-091, *In the Matter of the Application of TC Systems, Inc. for a Certificate of Authority to Provide Local Exchange Services in South Dakota.* TCAL will engage the same operations, assets, and management that TCS has been using, and following the transaction TCGI will be able to provide those services using a more efficient corporate structure. TCAL will adopt the same rates, terms, and conditions as currently apply to the services now offered by TCS.

The following information is furnished in support thereof:

1. Applicant's name, address, telephone number, facsimile number, web page URL and email address:

Teleport Communications America, LLC One AT&T Way Bedminster, NJ 07921 Telephone Number: (800) 422-0499 Facsimile Number (214) 741-0198 Web Page: <u>www.att.com</u>

2. A description of the legal and organizational structure of the applicant's company:

TCAL is a Delaware corporation. A certified copy of TCAL's Certificate of Formation is attached as Exhibit B.

3. The name under which applicant will provide local exchange services if different than in subdivision (1) of this section:

Teleport Communications America, LLC will be the entity providing wholesale local exchange service in South Dakota. It does not intend to provide retail local exchange service at this time.

4. The location of the applicant's principal office, if any, in this state and the name address of its current registered agent, if applicable:

The Applicant has no principal office located in the State of South Dakota. The name and address of Applicant's current registered agent is:

CT Corporation System 319 S. Coteau St. Pierre, SD 57501

5. A copy of its certificate of authority to transact business in South Dakota from the secretary of state:

A copy of Applicant's Certificate of Authority to transact business in South Dakota is attached as Exhibit C.

6. A description of the applicant's experience providing any telecommunications services in South Dakota or in other jurisdictions, including the types of services provided, and the dates and nature of state or federal authorization to provide the services:

Applicant was organized under the laws of the State of Delaware on May 25, 2012. Applicant's parent, Teleport Communications Group Inc. is a wholly owned subsidiary of AT&T Corp., which is a wholly owned subsidiary of AT&T, Inc. AT&T, Inc. is the ultimate parent corporation of Teleport Communications America, LLC. AT&T, Inc., on its own and through a number of subsidiaries, is authorized to provide domestic and international telecommunications services throughout the United States. In addition, AT&T, Inc. is authorized under a number of subsidiaries, including Teleport Communications America, LLC, to provide local exchange service in all 50 states.

7. Names and addresses of applicant's affiliates, subsidiaries, and parent organizations, if any:

Teleport Communications America, LLC is a wholly-owned subsidiary of Teleport Communications Group Inc., a Delaware corporation ("Teleport"). Teleport is a wholly-owned subsidiary of AT&T Corp., a New York corporation, and AT&T Corp is a wholly-owned subsidiary of AT&T Inc., a Delaware corporation.

8. A list and specific description of the types of services the applicant seeks to offer and how the services will be provided including:

a. Information indicating the classes of customers the applicant intends to serve:

Applicant will provide wholesale local exchange service to one of its affiliates.

b. Information indicating the extent to and time-frame by which applicant will provide service through the use of its own facilities, the purchase of unbundled network elements, or resale;

Applicant will provide service through the use of its own facilities and the purchase of unbundled network elements via an interconnection agreement with CenturyLink, if needed.

c. A description of all facilities that the applicant will utilize to furnish the proposed local exchange services, including any facilities of underlying carriers; and

Applicant will provide transport service, along with telephone numbers, direct inward dialing service and direct outward dialing service between the public switched network and its affiliate. Applicant is planning to enter into an interconnection agreement with CenturyLink.

d. Information identifying the types of services it seeks authority to provide by reference to the general nature of the service;

Applicant will provide wholesale local exchange service to one of its affiliates.

9. A service map or narrative description indicating with particularity the geographic area proposed to be served by the applicant:

Applicant intends to provide wholesale local exchange service to one of its affiliates in the service area of CenturyLink.

- 10. Information regarding the technical competence of the applicant to provide its proposed local exchange services including:
 - a. A description of the education and experience of the applicant's management personnel who will oversee the proposed local exchange services; and

The names, titles, and responsibilities of key management for the applicant are:

Anthony Fea President, Teleport Communications America, LLC 200 S. Laurel Ave. Building D, D3-3D05 Middletown, NJ 07748

James F. Dionne Chief Financial Officer, Teleport Communications America, LLC 1 AT&T Way, Rm 2B119 Bedminster, NJ 07921

Mike Guerra Director, Product Marketing Management 1 AT&T Way, Rm 4C217F Bedminster, NJ 07921

Sherry L. Hill Senior Product Marketing Manager 505 E. Bluff Dr., Rm MP-275 Anchorage, AK 99501

Resumes of these individuals are attached as Exhibit D.

b. Information regarding policies, personnel, or arrangements made by the applicant which demonstrates the applicant's ability to respond to customer complaints and inquiries promptly and to perform facility and equipment maintenance necessary to ensure compliance with any commission quality of service requirements;

Applicant is an indirect affiliate of a global telecommunication corporation that provides domestic and international telecommunications services that has customer service bureaus to respond to customer inquiries and maintenance groups that ensure appropriate service levels are provided for its customers.

11. Information explaining how the applicant will provide customers with access to emergency services such as 911 or enhanced 911, operator services, interexchange services, directory assistance, and telecommunications relay services;

The affiliate, whom the Applicant's will be providing wholesale local exchange service functionality to, will provide its own 911 functionality, operator services, interexchange services, directory assistance and telecommunications relay services.

12. For the most recent 12 month period, financial statements of the applicant consisting of balance sheets, income statements, and cash flow statements. The applicant shall provide audited financial statements, if available;

Applicant is not a publicly traded company. The link here provides a copy of AT&T, Inc.'s 2012 Annual Report:

http://www.att.com/gen/landing-pages?pid=5718

- 13. Information detailing the following matters associated with interconnection to provide proposed local exchange services;
 - a. The identity of all local exchange carriers with which the applicant plans to interconnect:
 - b. The likely timing of initiation of interconnection service and a statement as to when negotiations for interconnection started or when negotiations are likely to start; and
 - c. A copy of any request for interconnection made by the applicant to any local exchange carrier:

TCAL is providing a Notice of Assignment to CenturyLink that the existing interconnection agreement between TCS and CenturyLink should be assigned to TCAL effective, October 31, 2013,

14. A description of how the applicant intends to market its local exchange services, its target market, whether the applicant engages in multilevel marketing, and copies of any company brochures that will be used to assist in sale of the services:

Applicant will provide its wholesale local exchange services to one of its affiliates and does not intend on marketing to any other customer.

15. If applicant is seeking authority to provide local exchange service in the service area of a rural telephone company, the date by which the applicant expects to meet the service obligations imposed pursuant to § 20:10:32:15 and applicant's plans for meeting the service obligations:

Applicant is not seeking authority to provide local exchange service in the service area of any rural telephone company.

16. 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;

TCAL is certified in the following states: AL, AR, AZ, CA, CO, CT, DC, DE, IA, IL, IN, KS, KY, MA, MD, MI, MN, MO, NC, NE, NJ, NH, NV, OH, OR, PA, RI, TN, TX, UT, VA, WA, WI and WV. Applications for certification/registration are pending in: ID, LA, ME, MS, MT, NM, ND, OK, SC, SD, VT and WY. The applicant has never been denied registration/certification and is in good standing in each of the jurisdictions where it maintains a certificate/registration.

17. The names, addresses, telephone numbers, E-mail addresses, and facsimile numbers of the applicant's representatives to whom all inquiries must be made regarding customer complaints and other regulatory matters:

For customer complaints:	<u>RM-EXECappeals@att.com</u> Customer Contact Number: 866-288-7629
	Yvonne Harrison One AT&T Way Bedminster, NJ 07921-2693
For regulatory inquires:	Wauneta Browne 11425 West 146 th St Olathe, KS 66062
	Telephone: 913-685-7581 E-mail: <u>wbrowne@att.com</u> Facsimile: 281-664-9722

18. Information concerning how the applicant plans to bill and collect charges from customers who subscribe to its proposed local exchange services:

Applicant will provide wholesale local exchange services to one of its affiliates and will not provide retail local exchange services. Applicant will properly account for the transactions between itself and its affiliate.

19. Information concerning the applicant's policies relating to solicitation of new customers and a description of the efforts the applicant shall use to prevent the unauthorized switching of local service customers by the applicant, its employees, or agents;

Applicant will not be serving retail local exchange customers. Applicant's affiliate will comply with all with all federal and state rules/regulations regarding changing a customer's local exchange service provider.

20. The number and nature of complaints filed against the applicant with any state or federal commission regarding the unauthorized switching of a customer's telecommunications provider and the act of charging customers for services that have not been ordered;

Applicant has not had any complaints filed against it regarding the unauthorized switching of a customer's telecommunications provider or for charging a customer for services that they had not ordered.

21. Information concerning how the applicant will make available to any person information concerning the applicant's current rates, terms and condition for all of its telecommunications services;

Applicant will provide wholesale local exchange services to one of its affiliates and will not provide retail local exchange services.

22. Information concerning how the applicant will notify a customer of any materially adverse change to any rate, term or condition of any telecommunications service being provided to the customer. The notification must be made a least thirty days in advance of the change;

Applicant will provide wholesale local exchange services to one of its affiliates and will not provide retail local exchange services.

23. A written request for waiver of those rules believed to be inapplicable;

Applicant is not requesting a waiver of any rules at this time.

24. Federal tax identification number and South Dakota Sales tax number; and

Applicants Federal Tax ID Number is: 13-3547202.

Applicants South Dakota Sales tax number is: 133547202

25. Other information requested by the commission needed to demonstrate that the applicant has sufficient technical, financial, and managerial capabilities to provide the local exchange services it intends to offer consistent with the requirements of this chapter and other applicable rules and laws:

WHEREFORE, Teleport Communications America, LLC, requests that the South Dakota

Public Utilities Commission enter an order granting this Application, and such other relief as

may be just and proper.

Dated: August 26, 2013

Respectfully submitted

TC SYSTEMS, INC.

By: /s/ signed electronically William M. Van Camp

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Attorneys for Teleport Communications America, LLC.

CERTIFICATE OF SERVICE

William M. Van Camp hereby certifies that on the 26th day of August 2013, he served the foregoing Application of TC Systems, Inc. for a Certificate of Authority to Provide Local Exchange Services within the State of South Dakota to the following persons electronically:

Ms. Patricia Van Gerpen Executive Director South Dakota Public Utilities Commission 500 E Capitol Pierre, SD 57501 Patty.vangerpen@state.sd.us 605-773-3201

Ms. Karen Cremer Staff Attorney South Dakota Public Utilities Commission 500 E Capitol Pierre, SD 57501 <u>Karen.cremer@state.sd.us</u> 650-773-3201

Jason D. Topp Corporate Counsel CenturyLink 200 S. Fifth Street, Room 2200 Minneapolis, MN 55402 Jason.Topp@qwest.com 612-672-8905

> <u>/s/ signed electronically</u> William M. Van Camp