

Zebroski, Carol

From: PUC Docket Filings
Sent: Wednesday, November 01, 2006 2:37 PM
To: Kolbo, Delaine; Zebroski, Carol; Douglas, Tina (PUC); Forney, Heather; Van Gerpen, Patty
Subject: FW: New Docket Filing

From: JoAnn Hohrman[SMTP:JOANN.HOHRMAN@VANTAGEPNT.COM]
Sent: Wednesday, November 01, 2006 2:36:02 PM
To: PUC Docket Filings
Cc: Doug Eidahl
Subject: New Docket Filing
Auto forwarded by a Rule

Last Name: Hohrman First Name: JoAnn Company: Vantage Point Solutions Address: 1801 N. Main St. City: Mitchell State: SD Zip: 57301 Phone: 605-995-1764 Fax: 605-995-1778 Email: joann.hohrman@vantagepnt.com Comments:

Please accept the attached application as a new docket filing. Note: We have included confidential exhibits in a separate file entitled, "Confidential Exhibits 11 & 23". Please let me know if you have any questions regarding any of the included information.

Thank you,

JoAnn Hohrman



Vantage Point

Customer Focused. Technology Driven.

November 1, 2006

Ms. Patricia Van Gerpen
Executive Director
South Dakota Public Utilities Commission
State of South Dakota
500 East Capitol Avenue
Pierre, SD 57501

RE: Capital Telephone Company, Inc., Application for Certificate of Authority to Provide
Competitive Local Exchange Service in Exchanges Served by Qwest

Dear Ms. Van Gerpen,

On behalf of Capital Telephone Company, Inc., we file the enclosed application for a Certificate of Authority to provide competitive local exchange services in Qwest exchanges in South Dakota. We also request confidentiality for portions of this application.

Confidentiality is requested for a period of five years for the information provided in Exhibits 11 and 23, which include a Balance Sheet and company identification information. This information is being submitted with the application in accordance with the Commission's rules ARSD 20:10:01:39 through 20:10:01:44 and is confidential and proprietary data of Capital Telephone Company, Inc., which is not disclosed to the public.

The contact for the confidentiality request is as follows:

Doug Eidahl
Vice President of Consulting
Vantage Point Solutions
1801 North Main Street
Mitchell, SD 57301
(605) 995-1750

If you have any questions or comments, please feel free to contact me at (605) 995-1750.

Sincerely,

Doug Eidahl
Vice President of Consulting
Vantage Point Solutions

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE APPLICATION)
OF CAPITAL TELEPHONE COMPANY, INC.,)
FOR AUTHORITY TO PROVIDE COMPETITIVE)
LOCAL EXCHANGE SERVICES IN EXCHANGES)
SERVED BY QWEST)

Docket No. _____

APPLICATION FOR CERTIFICATE OF AUTHORITY

Pursuant to the provisions of SDCL 49-31-3, 49-31-69 through 49-31-76 and ARSD 20:10:32:03, Capital Telephone Company, Inc., (Capital or Applicant) hereby applies for a Certificate of Authority to provide competitive local exchange services in South Dakota exchanges served by Qwest.

1. Company information. Capital is a Nevada corporation. Applicant's legal name, address, principal office, phone and fax number and e-mail address are:

Capital Telephone Company, Inc.
8635 West Sahara Avenue, Suite 498
Las Vegas, NV 89117

Phone: (702) 499-9889
Fax: (702) 920-8844
Email: wes@allamericantelco.com

2. Contact information. The directors of Capital are listed below. All may be contacted at the address and contact numbers listed in Section 1:

President:	Wesley Doucet
Vice President:	Gayla Doucet
Secretary/Treasurer:	Joy Boyd
Director:	David Goodale

3. Local exchange service name. The applicant will provide local exchange services under the name Capital Telephone Company, Inc.
4. Corporation information. Capital's principal office is stated in Section 1.

- a. Applicant's registered agent is Doug E. Eidahl, whose business address is 1801 North Main Street, Mitchell, SD 57301.
 - b. Shareholders owning 20 percent or more of the interest in the business include Wesley Doucet and David Goodale.
 - c. Capital was incorporated in Nevada on September 5, 2006. A copy of its certificate of incorporation is included as Exhibit 4C.
 - d. Applicant is authorized to conduct business in South Dakota as a foreign corporation. A copy of its certificate of authority to transact business in South Dakota is included as Exhibit 4D.
5. Previous telecommunications service experience. Capital is a new corporation. However, its officers and directors have a long history of providing telecommunications services with a high customer satisfaction level. From this long history of service, its directors, management and staff already possess the technical competence to provide the requested services herein. David W. Goodale has been the General Manager of All American Telephone Company, Inc., a CLEC operating in Nevada, since May of 1995 with duties covering the management of over all operations and general supervision of staff. Please also refer to Section 9 for further management experience of Capital management staff.
6. Parent/subsidiary information. Capital has no parent company or subsidiaries.
7. Services to be offered. Capital seeks authority to provide all forms of local exchange telecommunications services, interexchange telecommunications services, and operator services which will allow customers to originate and terminate local calls to other customers served by Applicant as well as

customers served by all other authorized local and interexchange carriers. Applicant's services will be available to subscribers 24-hours per day, seven days per week, at rates, terms and conditions established by Applicant and reflected in Applicant's proposed tariff, which will be filed at a later date before service is initiated. Services will be offered and provided in accordance with applicable South Dakota laws and all Commission rules and regulations.

- a. Classes of customers. Applicant intends to provide service to business and residential customers.
- b. Geographic areas of service. Applicant will provide service to and from all points within the state of South Dakota which are currently served by the Incumbent LEC Qwest Corporation.
- c. Description of facilities. Applicant will utilize its own switch, which will be located in Redfield, and will route its interexchange traffic to the SDN tandem in Sioux Falls. Applicant may also resell Qwest services and offer services through Unbundled Network Elements (UNEs) purchased from Qwest.
- d. Types of service. Local exchange services will include, but will not be limited to the following:
 - i. Local exchange access services to single-line and multi-line customers (including basic access lines, direct inward-outward PBX trunk service, and ISDN)
 - ii. Local exchange usage services to customers of Applicant's end-user access line services. Applicant intends to offer both inbound and outbound intraLATA services through its own switch and through the resale of the facilities of other certificated

carriers. Initially, Applicant plans to offer services on a resold basis or with UNE loops.

8. Proposed service area. Capital proposes to provide service in the existing territory of Qwest Corporation within the state of South Dakota, pursuant to the service area maps on file.
9. Professional experience and education of managerial personnel and personnel responsible for South Dakota operations. General Manager, Wesley Doucet, will lead the Capital management team. Mr. Doucet has over 15 years of experience and has been in management since 1998. He has attended numerous technical workshops, seminars and industry training during his career. Network Operations Manager, Donald Surratt, will also lead the Capital management team. Mr. Surratt has over 12 years of experience from 1994 to 2006 in management. Capital's Support Services Manager, David Goodale, will also lead the Capital management team. Mr. Goodale has over 38 years of telecommunications experience. He has attended numerous technical workshops, seminars and industry training during his career. He has been a director of All American Telephone Company, Inc., since 1995 and will be part of the key operations staff of Capital. Customer service will be available during the normal business hours of 8 a.m. to 5 p.m. Central Standard Time, Monday through Friday. Customers may reach the Applicant's customer service staff via its toll-free telephone number of (877) 703-3500, or by letter and the address listed on the bill. Capital's staff will perform all required maintenance and will comply with the Commission's quality of service requirements.

10. Emergency services, operator services, etc. Capital will provide 911 services through the current arrangements between the Incumbent LEC and the PSAP. Applicant will contact the proper county officials and will provision and test E911 before offering any services. Applicant will contract with a vendor to provide operator and directory assistance services. Applicant will provision its switch to provide and properly route all telecommunications relay services. Applicant will connect to SDN Communications to provide interexchange services. Both interstate and intrastate equal access will be provided. All toll providers currently registered with the Commission will be notified and given an opportunity to be on the Capital equal access ballot and to become a PIC-able toll provider by Capital.

11. Financial abilities. Capital is financially qualified to provide the telecommunications services outlined herein within the state of South Dakota. Capital has a sufficient cash balance to conduct its telecommunications operations as specified in this application. Since Capital is a start-up company, the only financial reports currently available is the balance sheet, which is attached as **Confidential Exhibit 11**. Capital respectfully requests confidential treatment of its financials and has filed this information under seal, accordingly.

12. Interconnection Agreements. Capital intends to adopt an existing agreement with Qwest. We expect to receive the agreement in the near future and will file it with the Commission at that time.

a. Applicant intends to interconnect with local exchange carriers as needed within the Qwest exchanges in which Applicant will offer services.

b. Interconnection negotiations will begin once this application is filed.

13. Local Service Tariff sheets or price lists. A complete price list for services to be offered is currently being developed and will be filed with the Commission as an informational tariff when completed.
14. Cost Support. Applicant will not have any historical costs to develop cost based access rates. Further, Applicant will have a very small customer base over the next couple of years. Capital lacks the financial, technical and managerial resources needed to determine company-specific cost based intrastate switched access rates. The expenses to develop cost based rates outweigh any benefit to Capital's customers. Therefore, pursuant to ARSD 20:10:27:11, Capital requests that it be allowed to mirror the Qwest switched access rates for a period of three years.
15. Marketing. Capital proposes to market local exchange services primarily to residential and business customers in the smaller to mid-size Qwest exchanges throughout the state of South Dakota. Capital will market its services through direct marketing relations with business and trade groups, as well as direct sales by its employees. Applicant does not perform any telemarketing to acquire its customers.
16. Rural Telephone Company Service Area. Capital does not propose to offer services within any rural telephone company service areas.
17. Registered/certified services in other states. None. Capital has not applied for certification to offer telecommunications services in any other states.
18. Customer complaint and regulatory contact information. Please see the following contact information:

Wesley Doucet, 8635 W. Sahara Ave., #498, Las Vegas, NV 89117

Phone: (702) 499-9889
Fax: (702) 920-8844
Email: wes@allamericantelco.com

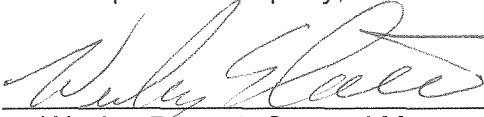
19. Billing and collection. Capital's local exchange customers will be billed monthly through its own billing system.
20. Unauthorized switching of local service customers. New customers seeking Capital's service will be required to sign a letter of agency and a service application form. All consent to switch customers will be in writing, greatly minimizing the chance of any unauthorized switching of services.
21. Complaints filed. There have been no complaints filed against Capital 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.
22. Request for waivers. Capital hereby petitions the Commission that it be granted an exemption from developing company specific cost based switched access rates, pursuant to ARSD 20:10:27:11. Applicant also petitions the Commission that it be granted an exemption from ARSD 20:10:27:12, which, in the event it is granted an exemption pursuant to ARSD 20:10:27:11, requires the use of a statewide average access rate. Applicant instead proposes mirroring the Qwest South Dakota intrastate switched access rates.
23. Federal tax identification number. Attached as **Confidential Exhibit 23.**

WHEREFORE, Capital hereby requests that the Commission enter an order granting a certificate of authority to Capital Telephone Company, Inc., to provide competitive local exchange services in Qwest's South Dakota exchanges; and

FURTHERMORE, that Capital hereby petitions the Commission that it be granted an exemption from developing company specific cost based switched access rates pursuant to ARSD 20:10:27:11 and that it be allowed to mirror the Qwest South Dakota intrastate switched access rates.

Respectfully submitted this 30 day of October, 2006

Capital Telephone Company, Inc.

By: 
Wesley Doucet, General Manager