

BEFORE THE SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

In the Matter of the Application of NetFortris)
Acquisition Co., Inc. for a Certificate of Authority)
to provide Resold Local Exchange Services) Docket No.: TC_____)
and Voice over Internet Protocol to Business-Class)
Subscribers Only within Non-Rural Areas of the)
State of South Dakota)

APPLICATION

COMES NOW NetFortris Acquisition Co., Inc., (hereinafter “Applicant” or “NetFortris”), pursuant to ARSD 20:10:32:03, by the undersigned, and files this Application requesting authority to engage in providing resold local exchange and resold Voice over Internet Protocol (hereafter referred to as “VoIP”) communications services to business-class subscribers only throughout the territories and exchanges of CenturyLink in the State of South Dakota under the name of NetFortris Acquisition Co., Inc.

In support of its Application, Applicant states as follows:

1. The applicant’s name, address, telephone number, facsimile number, web page URL, and E-mail address:

Name: NetFortris Acquisition Co., Inc.
Address: 455 Market Street, Suite 620, San Francisco, CA 94105
Telephone: (888) 469-5100
Facsimile: (866) 726-1739
Web Page: <http://netfortris.com>
E-mail: support@netfortris.com

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

Applicant is a Delaware corporation duly incorporated on September 11, 2013. A copy of the Applicant’s Certificate of Incorporation and Certificate of Amendment is attached as **Exhibit A**. Applicant is currently in good standing with all regulatory agencies in all jurisdictions where it is registered and certified.

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

NetFortris will provide resold local exchange services and resold VoIP services in South Dakota under their actual name.

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

Applicant does not have a principal office located in South Dakota. The name and address of Applicant's registered agent is CT Corporation System, 319 S. Coteau Street, Pierre, South Dakota, 57501.

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

The Applicant applied for and received a foreign corporation Certificate of Authority from the South Dakota Office of the Secretary of State, a copy of which is attached as **Exhibit B**.

- 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 currently provides local exchange, and/or VoIP telecommunications services in several jurisdictions. Applicant's operations and/or authorities are outlined in the attached **Exhibit C**.

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

Applicant has no affiliates.

- 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 serve business-class entities only. No residential authority is sought.

- (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 plans to offer resold communications services in South Dakota within 60 days after approval of this application.

- (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 use only resold facilities in South Dakota and is therefore seeking resold authority only.

- (d) **Information identifying the types of services it seeks authority to provide by reference to the general nature of the service:**

Applicant will offer local exchange and VoIP communications services that will enable business-class subscribers to originate and terminate local calls in the local calling area served by CenturyLink. Such services will be provided by utilizing the facilities of Century Link. Attached as **Exhibit D** is a listing of the exchanges where Applicant proposes to begin its initial local service offerings, which is intended to mirror all CenturyLink exchanges.

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

See attached as **Exhibit E** a service area map of areas for proposed service. Applicant is seeking to provide service in Century Link's areas only. Applicant intends to provide local exchange and VoIP communications services throughout the state of South Dakota in the areas served by any LECs in South Dakota that are not eligible for small or rural carrier exemption pursuant to Section 251(f)(1) of the Federal Act. NetFortris will not be providing services to customers in those small or rural territories.

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**

Senior management at NetFortris has extensive telecommunications business, technical, and managerial expertise and experience necessary to provide the services it proposes. To further demonstrate the abilities of NetFortris, the biographies of key management personnel are attached as **Exhibit F**. In addition, since NetFortris will be providing resold services, they will also rely upon the managerial and technical expertise of the underlying carrier, who has been certified and deemed technically and managerially able to provide telecommunications services by the Commission.

- (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 has people and policies in place to handle customer complaints and also has a state of the art 24x7x365 NOC. Applicant supplies a toll free number for customer service inquiries during normal business hours which is listed on their website and routes directly to the NOC for after-hours emergencies (1-888-469-5100).

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:

If service is provisioned over traditional landline facilities, NetFortris will rely on the incumbent local exchange carrier for the provision and access to emergency services such as 911 and e911, operator services, directory assistance, and telecommunications relay service ("TRS").

Local dial tone, access to 911, e911, Directory Assistance, Operator Services, and TRS can also be accessed over the Internet when services are provisioned with VoIP technology. The specific type of VoIP TRS that would be used is Internet Protocol (IP) Relay Service; a text-based form of TRS that uses the Internet, rather than traditional telephone lines, for the leg of the call between the person with a hearing or speech disability and the Communications Assistant (“CA”). Otherwise, the call is generally handled just like a TTY-based TRS call. The user may use a computer or other web-enabled device to communicate with the CA. NetFortris subscribers are free to select the long distance provider of their choice.

- 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:**

The Applicant has sufficient financial resources to provide the proposed telecommunications services within South Dakota as demonstrated in **Exhibit G**. The applicant is submitting Exhibit G as confidential and under seal for the use of the Commission only for the following reasons; a) Applicant is not a publicly traded company and therefore does not file financial statements with the SEC; b) The statements contain sensitive financial information, which NetFortris protects from disclosure. This information is not generally available to those inside the Company without specific need-to-know, and the Company keeps it in a secure location to prevent inadvertent disclosure. This information has not been released previously; c) Public disclosure of the information would cause undue harm to NetFortris and would prove detrimental to their competitive position in the marketplace. The confidential information is being provided for the sole use of the Commission in exercising its respective governmental functions of examining the Application. There is no legitimate purpose to be served in disclosing this confidential material to any person other than the appropriate reviewing staffs of the Commission.

- 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:**

Initially, upon approval, the Applicant will initiate negotiations for interconnection with Century Link.

- (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**

Applicant will seek related Interconnection Agreements upon completion of certification.

- (c) A copy of any request for interconnection made by the applicant to any local exchange carrier;**

No requests for interconnection have been made at this time.

- 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**

The Applicant will market its services to business-class subscribers only by traditional forms of advertising and by way of professional contacts. Applicant does not and will not engage in multilevel marketing practices. No brochure of services is available at this time, however all services are listed and described on the Applicant's website at <http://netfortris.com>.

- 15. If the 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 to provide local exchange service in the service areas of rural telephone companies.

- 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:**

The jurisdictions where the Applicant is registered or certified to provide telecommunications service is provided in detail in **Exhibit C** to this application. Applicant has never been denied registration or certification in any state and is in good standing with the appropriate regulatory agency in the states where it is registered or certified.

- 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:**

Customers Complaint Escalation Path is as follows:

1st Level:

Customer Service Representative
455 Market Street, Suite 620
San Francisco, CA 94105
Phone: 1(888) 469-5100
Facsimile: (866) 726-1739
support@netfortris.com

2nd level:

Donna Pecson, Escalations Manager
455 Market Street, Suite 620
San Francisco, CA 94105
Phone: 1(888) 469-5100
Facsimile: (866) 726-1739
support@netfortris.com

3rd Level:

Bryan Koehler, Chief Financial Officer
455 Market Street, Suite 620
San Francisco, CA 94105
Phone: (415) 287-1113
Facsimile: (866) 726-1739
support@netfortris.com

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

The Applicant does not and will not use third parties for billing. A sample invoice is attached as **Exhibit H**. Any changes in rates, terms or conditions will be provided to customers with no less than thirty (30) days' notice in the form of billing inserts and notifications. Customers engaging the Applicant for service will be provided a current set of rates, terms and conditions upon signed agreement for service.

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 use fair and reasonable industry standards to maintain its current policies. Applicant is able to properly perform the proposed telecommunications services and to conform to the terms, conditions, and Rules of the South Dakota Public Utilities Commission. NetFortris has never participated in any unauthorized switching or slamming practices, nor will they ever do so. The Applicant has no pending actions or unsatisfied judgments or decisions against it from any state or federal agency or court which involves customer service rates, which action, judgment or decision has occurred within three (3) years of the date of this Application.

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:

The Applicant has not been the subject of any complaints regarding unauthorized switching of a customer's telecommunications provider or the act of charging customers for services that have not been ordered. As such, there have been no enforcement actions against the Applicant for these types of issues.

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

Applicant will make available to any person information concerning the Applicant's current rates, terms, and conditions for all of its telecommunications services by dialing toll-free-number (888) 469-5100 or by email at support@netfortris.com. A description of services offered is located at website <http://netfortris.com/>.

- 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 at least thirty days in advance of the change**

Applicant will notify a customer of any materially adverse change to any rate, term, or condition of telecommunications service to the customer through either a message in the bill, or a bill insert. The notification will be made at least thirty days in advance of the change.

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

As the Applicant is only seeking authority in the areas and exchanges of CenturyLink, no rural exemption is deemed necessary, per 49-31-73. Applicant seeks no formal waivers at this time.

- 24. Federal tax identification number and South Dakota sales tax number; and**

The Applicant's federal tax identification number is 46-3643808 and the Applicant's South Dakota sales tax number was applied for on December 1, 2014 and is expected to be obtained within 2-3 weeks from that date.

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:

Applicant agrees to the condition that they will not offer any prepaid services to retail end user customers (including prepaid calling cards) and will not accept or require any deposits or advance payments from retail customers without prior approval of the Commission.

Applicant agrees to rural safeguards and will not offer its services in an area served by a rural telephone company.

WHEREFORE, Applicant, NetFortris Acquisition Co., Inc. prays that the Public Utilities Commission enter an order granting it a Certificate of Authority in the State of South Dakota.

Applicant certifies that the representations in this Application and attached exhibits are true, correct, and complete, based on Applicant's knowledge and belief, and made in good faith.

DATED this 11th day of January, 2015.

Respectfully submitted,

/s/ Matt W. Dean

Matt W. Dean, Regulatory Agent
On behalf of NetFortris Acquisition Co., Inc.
PO Box 720128
Oklahoma City, OK 73172-0128
Telephone: (405) 755-8177 x103
Facsimile: (405) 755-8377
Email: mdean@telecompliance.net