

Docket Number: TC21-113
Subject Matter: First Data Request
Request to: Electric Lightwave LLC dba Allstream (Allstream or Company)
Request from: South Dakota Public Utilities Commission Staff
Date of Request: October 1, 2021
Responses Due: October 15, 2021

- 1-1) Refer to ARSD 20:10:32:04. Confirm that Allstream has provided notice to other local exchange carriers in the proposed service area. **“Notice to other local exchange carriers in proposed service area -- Intervener status.** The applicant shall give notice of its application to each telecommunications company that already holds a certificate of authority to provide local exchange service in the geographic area where the applicant seeks to provide local exchange service. In addition, the commission shall, upon request, grant each of the already certified telecommunications companies intervener status in any commission proceeding held on the application. The request for intervention submitted by any such company need not meet the requirements for petitions to intervene set forth in chapter 20:10:01.”

RESPONSE: Allstream is in the process of providing notice of its application to each telecommunications company that holds a certificate of authority to provide local exchange service in the geographic area where we seek to provide local exchange service. We will notify staff when notice is complete.

- 1-2) Refer to Allstream’s response to ARSD 20:10:24:02(1) and ARSD 20:10:32:03(1). Does Allstream have a website? If so, provide the web page URL: www.allstream.com
- 1-3) Refer to Allstream’s response to ARSD 20:10:32:03(8)(b). “A list and specific description of the types of services the applicant seeks to offer and how the services will be provided including: 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.” If known, provide the timeframe by which Allstream will provide service through the purchase of unbundled network elements or resale.

RESPONSE: Allstream is in the process of expanding our authority to include both IXC and CLEC authority in all states. While we currently focus on serving business customers in about 11 western and midwestern states, occasionally we have a customer that is in multiple locations throughout the country and they want us to have the capability to provide service at all locations. We do not have immediate plans or a specific timeframe for facilities-based service in South Dakota, but as opportunities arise we want to have the ability to not only resell services, but to lease facilities from an ILEC, or construct facilities if that makes business sense in responding to a request for service. The process to obtain LEC certification can be a long one, so we could miss opportunities if we were to wait until those opportunities present themselves. We have no immediate plans to do anything more broadly than we do today in South Dakota. Allstream is a North American carrier and eventually we plan to serve across Canada and the US.

- 1-4) Refer to Allstream’s response to ARSD 20:10:32:03(10)(b). “Information regarding the technical competence of the applicant to provide its proposed local exchange services including: 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.” Confirm that Exhibit G provides all the necessary information regarding policies, personnel, or arrangements made by Allstream which demonstrates Allstream’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. If not, provide.

RESPONSE: Allstream responds to customer complaints and inquiries via an experienced Customer Service team that is available to assist customers during business hours with account and billing information, online account access, service inquiries, adding or disconnecting service, and general customer support. Our Customer Repair Center (CRC) can be contacted for an immediate response to any telecom service problem or outage and is staffed 24x7x365 in order to provide prompt trouble ticket resolution. In addition, Allstream provides our customers with a self-service customer portal where they can create trouble tickets and track status updates.

- 1-5) Refer to Allstream’s response to ARSD 20:10:32:03(11). “Provide information explaining how Allstream will provide customers with access to emergency services such as 911 or enhanced 911, operator services, interexchange services, directory assistance, and telecommunications relay services.”

RESPONSE: Allstream has extensive telecom experience across the United States and complies with all state and federal 911 regulations. For voice services, Allstream provides the network connection for each circuit to reach the appropriate PSAP. Allstream is also fully compliant with Relay requirements and communicates state-specific Relay information to customers annually. Allstream will collect and remit Relay and 911 surcharges in accordance with applicable state, county and/or local directives. Allstream provides access to Operator Services and Directory Assistance through third party providers of those services, and charges non-recurring fees for those services.

- 1-6) Refer to Allstream’s response to ARSD 20:10:24:02(9) and ARSD 20:10:32:03(12). (Exhibit F)
- a. Given the recent years of negative net income and the negative equity as of year-end 2020, explain how Allstream meets the financial capabilities to provide local exchange and interexchange services. To the extent Allstream relies on its parent company(s) for financial capabilities, provide the audited financial statements (balance sheet, income statement, and cash flow statement) of its parent company(s).

RESPONSE: Negative net income is mostly from non-cash items: depreciation of assets etc. Allstream has been cash-positive since its restructuring in 2017. Our statements of cashflow shows cash positivity, which we are sending back to our parent company. However, if we needed cash for a sporadic or unforeseen need, our parent would provide the cash injection that we require. See Financial Overview for parent company, Zayo (Provided Separately).

- b. Provide Allstream's most recent cash flow statement. If Allstream believes this to be inapplicable, provide a written request for waiver as is required in ARSD 20:10:24:02(19) and ARSD 20:10:32:03(23). See CONFIDENTIAL Cash Flow (Provided Separately).
 - c. Provide a 2021 year-to-date income statement and current balance sheet for Allstream. See CONFIDENTIAL IS and BS (Provided Separately).
- 1-7) Refer to Allstream's response to ARSD 20:10:32:03(13), Exhibit D. Confirm that this is an accurate list of local exchange carriers that Allstream plans to enter into agreement in the state of South Dakota. If not, please revise. **We have confirmed Exhibit D is correct, although we have no such plans at this time.**
- 1-8) Refer to Allstream's response to ARSD 20:10:32:03(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." Confirm that the independently negotiated contracts will include terms preventing the unauthorized switching of local service customers.

RESPONSE: Per FCC porting rules, if Allstream learns by receipt of another carrier's order or by another carrier's change request that an Allstream customer plans to switch carriers, we will not use that information to attempt to retain the customer. Additionally, Allstream complies with all applicable slamming rules and in the event of a transfer of subscribers, would comply with all required verification procedures and notices to affected subscribers, to ensure we have obtained the requisite authority prior to changing a customer's preferred carrier.

- 1-9) Refer to Allstream's response to ARSD 20:10:24:02(18) and ARSD 20:10:32:03(20).
- a. Provide the number and nature of complaints filed against Allstream 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.

RESPONSE: Allstream did not receive complaints related to slamming (the unauthorized switching of a customer's telecommunications provider) or cramming (charging customers for services that have not been ordered). Allstream is fully compliant with anti-slamming rules and does not allow unauthorized third-party billing that could result in cramming.

- b. Refer to Exhibit H. Explain the nature and outcome of the toll fraud complaint in Oregon.

RESPONSE: A longtime OR customer incurred fraudulent toll charges due to unauthorized access of their phone system by a third party, through no fault of Allstream. Allstream also incurred costs due to the fraud but was able to offer the customer a significant percentage off the amount due, plus a contract renewal at lower rates, to help absorb the cost to the customer. This resolved the matter.

- 1-10) Refer to Allstream's response to ARSD 20:10:24:02(17) and ARSD 20:10:32:03(24). Noting that the number provided for the South Dakota sales tax number is the business ID provided by the South Dakota Secretary of State, provide Allstream's South Dakota sales tax number.

RESPONSE: FL001713

- 1-11) Refer to Allstream’s response to ARSD 20:10:24:02(11) “Information concerning how the applicant plans to bill and collect charges from customers” and ARSD 20:10:32:03(18) “Information concerning how the applicant plans to bill and collect charges from customers who subscribe to its proposed local exchange services”. Would Allstream agree to a condition placed on its certificate of authority to not accept or require any form of deposits or advance payments?

RESPONSE: Yes, in most cases, but there are occasional exceptions. Additionally, in the telecom industry it is standard practice for customers to pay one month in advance for monthly recurring charges, whereas usage is paid after it is incurred, so this is the way Allstream’s invoices are structured. We do not routinely require a deposit but would consider a deposit if we expect the customer to be a large volume usage customer with whom we do not have a longstanding business relationship. This helps protect Allstream from businesses that may engage in fraud.

- 1-12) Refer to Exhibit G – Customer Service Plan.
- a. Refer to section (b)(1). Will Allstream also provide customers with the South Dakota Public Utilities Commission contact information and notify that complaints can be filed with them?
RESPONSE: Yes. This information is included in the tariff and will be provided at least annually on customer invoices.
- b. Refer to section (b)(3). Explain why customers are limited to 90 days to dispute charges.
RESPONSE: Our Master Service Agreement (MSA) provides that a customer shall notify Allstream of a billing dispute, in writing, within 90 days of the applicable invoice date. This is standard in commercial contracts, subject to applicable law.
- c. Refer to section (c)(4). What are the “special construction costs” and “other costs incurred by Allstream”? Provide the average Allstream cancellation fee and the average costs of the components that make up this fee.

RESPONSE:

Special construction costs: Special construction costs or other costs could be incurred, for example, where facilities are not presently available, and there is no other requirement for the facilities so constructed; where they are of a type other than that which we would normally utilize in the furnishing of services; over a route other than that which we would normally utilize in the furnishing of services; in a quantity greater than that which we would normally construct; on an expedited basis; on a temporary basis until permanent facilities are available; involving abnormal costs; or occurring in advance of normal construction.

Cancellation fee: Allstream’s MSA states that if the customer terminates without cause, or if Allstream terminates with cause after the Service Activation Date but prior to the expiration of the Service Term, the customer shall pay Allstream an amount equal to the monthly recurring charges for the terminated service(s) for the balance of the Service Term, plus any additional charges incurred by Allstream, such as activation costs, installation costs, and special construction costs. If the customer cancels service before the Service Activation Date the customer will pay one month of the monthly recurring charges for the terminated service(s), plus any installation costs, special construction costs, or other costs related to the service(s). Allstream incurs costs in furtherance of the provisioning of service to our customers, and the term rates we offer (which are lower than our month-to-month rates)

contemplate that we will make up these costs over the life of the contract. Cancellation fees and early termination fees allow Allstream to be made whole.

- d. Refer to section (d)(6). What are the “additional apparatus” that are “reasonably required to be installed” and what are the approximate costs of these items?

RESPONSE: Typically, this is in reference to Customer Premise Equipment (CPE), which could include items such as a Network Interface Device (NID), Ethernet Access Device (EAD), router, or Gateway Device to convert from TDM to VoIP. Most of these devices are smaller than a laptop and are mounted to a backboard on the wall, or a rack in a cabinet that is provided by the customer. Such equipment would generally cost less than a few thousand dollars.

- e. Refer to section (e)(4). Explain the WHOIS database and why information is available for public viewing. Is the information provided upon written request?

RESPONSE: The WHOIS database is where businesses, organizations and governments registering domain names provide their contact information. Therefore, it is purely related to internet service. Database registrars provide the ability to “anonymize” the contact information. More information is available here: <https://whois.icann.org/en/about-whois>

- f. Refer to section (e)(6). If customers do not instruct otherwise, does the Allstream family of companies place telemarketing calls to its customers?

RESPONSE: Allstream markets to customers and prospects using multiple communication channels, including phone, web, email, and social media. Allstream closely complies with all CPNI rules in regards to customer marketing, and will not market outside a customer’s current category(ies) of service(s) if a customer has opted out. Additionally, Allstream incorporates unsubscribe mechanisms into its marketing communications and will always honor a customer’s request to not be contacted for marketing purposes.

- 1-13) When does Allstream plan to submit its \$250.00 filing fee for its interexchange certificate of authority request? **This has been sent.**

- 1-14) Refer to part b of section 3 in **Exhibit C (attached to this email)** where it says “the Customer may also place calls to toll-free numbers where equipment allows”. When might equipment not allow for calls to toll-free numbers?”

RESPONSE: As long as phones are set up for two-way calling, they can access toll-free.