

ORIGINAL



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Judith A. Riley, J.D.

5909 Northwest Expressway, Suite 101
Oklahoma City, OK 73132

June 9, 2010

Via Email Submission

Arizona Corporation Commission
ARIZONA CORPORATION COMMISSION
STAFF'S FIRST OF DATA REQUESTS TO
TELECONNECT, LLC ("TELECONNECT")
DOCKET NO. T-20722A-10-0026
MARCH 30, 2010

Subject: All information responses should also be provided to Armando Fimbres in searchable PDF, DOC or EXCEL files via email (afimbres@azcc.gov) or electronic media.

Dear Mr. Fimbres,

Enclosed please find responses to the Commission Data Request in the above entitled Cause. Also, Attachments with the revised tariff pages reflecting Commission requested changes or clarifications, financial statements for year ending 2009 and copies of Decisions awarding authority in New York and Florida; are included.

If you have any questions, or need additional information, please do not hesitate to contact me at (405) 755-8177 ext. 25 or by email at; amckay@telecompliance.net

Sincerely,

Alicia G. McKay
Regulatory Agent

Arizona Corporation Commission
DOCKETED

JUN 16 2010

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Enclosures

FIRST DATA REQUESTS
TELECONNECT, LLC ("TELECONNECT")
DOCKET NO. T-20722A-10-0026

STF 1.1 Please clarify the information submitted in (A-11) of Teleconnect's application. Has Teleconnect been involved in any complaint proceedings in any states?

RESPONSE: Applicant has not been involved in any complaint proceeding of any type in any state. Applicant is currently only certified in New York, and is not currently providing service in that jurisdiction.

STF 1.2 Teleconnect's response in section (A- 17) of its application indicates an intent to resell Qwest and AT&T telecommunications services. Please explain why Teleconnect is not seeking Resold Long Distance Telecommunications and/or Resold Local Exchange Telecommunications authority in section (A-1) of its application?

RESPONSE: It is our understanding that once Applicant receives authority they will need to install minimal equipment, such as switches in established ILEC facilities in addition to software in order to provision their VoIP service offerings. Once certified Applicant will then resell the services of certified ILEC's in the State of Arizona. With this understanding we believed the need for "facilities-based" provider was necessary, as opposed to "resold" authority. If this is not correct, please advise of the correct authority required. All initial and long term service will be provisioned by Voice over Internet Protocol (VoIP).

STF 1.3 Please provide a copy of the decision granting Teleconnect authority in New York state as referenced in section (A- 18) of the application.

RESPONSE: A copy of the decision for authority in New York is attached as STF 1.3 Attachment. In the interim of this application process, Teleconnect, LLC has received authority in the State of Florida, a copy of that Order is also attached.

STF 1.4 Has Teleconnect begun serving customers in New York state? If yes, please explain the date when services began. If no, please explain when Teleconnect plans to begin services in New York state.

RESPONSE: Applicant has not yet begun to provide services in any jurisdiction, including the State of New York. Service initiation is incumbent upon receiving authority in other jurisdictions in order for Applicant to offer appropriate calling plans.

STF 1.5 Please provide balance sheet and income statement financials for end-of-year 2009. The information should be emailed to Armando Fimbres, afimbres@azcc.gov.

RESPONSE: A copy of the financial statements have been emailed to Mr. Armando Fimbres the same date as this Data Request was mailed.

STF 1.6 Please explain what is meant by the term “limited switching” in Teleconnect’s response to section (D-1).

RESPONSE: The Applicant will provision VoIP services via Class 4 and Class 5 VoIP Soft Switch, with co-location and connection via SIP to other origination and termination providers. No other co-locations with any ILEC but agreements with other providers to provide those services and interconnectivity including Level 3. These are provisioned over a native SIP Trunk on existing circuits/bandwidth (no PRI), over existing IP networks. (DID, unlimited local, LD, DA, Toll) Residential service works with existing phone number and Internet, broadband connection (from underlying carrier).

There will be no construction of facilities just installation of this type of equipment, which we’ve referred to as “limited switching”.

STF 1.7 Tariff No. 1, page 12, section 2.1.3.A, “Minimum Period”, refers to a minimum period of one year for service unless otherwise specified or mutually agreed upon by contract. Staff will not support the use of contracts with residence local exchange services. Please revise Tariff No. 1 accordingly.

RESPONSE: The Tariff has been revised and is attached to this response.

STF 1.8 Please explain why the maximum charge for returned checks in Tariff No. 1, Page 32, section 2.5.2.F (\$35) is higher than in Tariff No. 2, page 23, section 2.6.2.F (\$20).

RESPONSE: This oversight has been revised to be consistent at twenty dollars (\$20.00) in both Tariff No. 1 and Tariff No. 2.

STF 1.9 Please ensure that the deposit policies in Teleconnect’s Tariffs No. 1 and No. 2 are consistent with A.A.C. R14-2-503.B.

RESPONSE: Deposit policies have been aligned with the preceding rules.

STF 1.10 Tariff No. 1, page 51, section 3.1.1 should be revised to state 'Qwest Corporation' rather than 'Qwest Communications, Inc.'.

RESPONSE: Tariff No. 1 has been revised as requested in STF 1.10.

STF 1.11 Tariff No. 1, page 34, section 2.5.5. states "The Company will pay interest at the rate prescribed by the Commission." Staff recommends the rate paid by Arizona's dominant Incumbent Local Exchange Carrier ("ILEC"), Qwest Corporation. Qwest's tariff states "The deposit will bear simple interest at 6 percent a year payable on the actual amount on deposit with the Company." Please revise Tariff No. 1 accordingly.

RESPONSE: Tariff No. 1 has been revised accordingly.

STF 1.12 Tariff No. 1, page 59, section, 4.4 contains a Public Telephone Surcharge rate per call of \$0.99. Staff does not support a Public Telephone Surcharge maximum rate above \$0.60. Please revise Tariff No. 1 accordingly.

RESPONSE: Tariff No. 1 has been revised accordingly.

STF 1.13 Tariff No. 1, page 72, section 6.2.1 describes rates for Local Directory Assistance as "Maximum per Query". The description of the service on page 71 suggests that the statement should be "Maximum per Call". Please revise Tariff No. 1 accordingly.

RESPONSE: Tariff No. 1 has been revised accordingly.

STF 1.14 Rates stated in Tariff No. 1, page 72 indicate that a maximum charge for a Local Directory Assistance Call with Call Completion would be \$1.75 + \$1.50 or \$3.25. Staff will not support a Maximum Local Directory Assistance per call rate with Call Completion above \$2.00 per call. Please revise the Tariff No. 1 rates accordingly.

RESPONSE: Tariff No. 1 has been revised accordingly.

STF 1.15 Tariff No. 1, page 78, 6.5.2.C, Foreign Listing states in part "The Customer will be charged the rates specified in the tariff published by the specific local exchange carrier providing the Foreign Listing" yet states a rate on page 81. Please clarify.

RESPONSE: Tariff No. 1 has been revised accordingly.

STF 1.16 Tariff No. 1, page 92, section 11.3.2 uses the term 'Per Query'. The description of the service on page 71 suggests that the term should be "Per Call". Please revise Tariff No. 1 accordingly.

RESPONSE: Tariff No. 1 has been revised accordingly.

STF 1.17 Tariff No. 1 does not appear to clearly explain the billing increments and rounding standard that applies to long distance calls, such as – "Usage rates are for full minutes and are billed in six (6) second increments. Call timing is rounded up to the next 6- second increment." Please revise the Tariff No. 1 language as appropriate for Teleconnect's billing increments and rounding standard.

RESPONSE: Tariff No. 1 has been revised accordingly.

STF 1.18 Staff recommended in generic proceedings¹ that a local exchange provider's switched access rates be capped at the level of the ILEC in the service territory in which the end-user customer is located. Is Teleconnect willing to abide by a Commission order which may cap Teleconnect's switched access rates as stated above?

RESPONSE: Yes, Applicant, Teleconnect, is willing to abide by all Commission orders, rules and procedures.

STF 1.19 Does Teleconnect, LLC have any affiliation with or has Teleconnect, LLC ever had any affiliation with dPi Teleconnect, LLC? If yes, please explain the affiliation.

RESPONSE: Applicant; Teleconnect, LLC is not affiliated in any way with dPi Teleconnect, LLC.

STF 1.20 Does Teleconnect have any affiliates operating in Arizona? If yes, please provide (1) the affiliate names and (2) their business role?

RESPONSE: Teleconnect has no affiliates in Arizona or in any other jurisdiction.

¹ In the Matter of the Review and Possible Revision of Arizona Universal Service Fund Rules, Article 12 of the Arizona Administrative Code, Docket No. RT-00000H-97-0137; In the Matter of the Investigation of the Cost of Telecommunications Access, Docket No. T-00000D-00-0672

STF 1.21 Will Teleconnect use its facilities-based local exchange authority, if granted by the Commission, to provide services to any other affiliate? If yes, please explain the services which Teleconnect will provide to any affiliate.

RESPONSE: No, Applicant will only use Commission approved authority for the purposes stated in the application, and as stated in explanations provided for in this informational data request.

STF 1.22 Does Teleconnect currently provide Voice over the Internet Protocol (“VoIP”) services in Arizona? If yes, please explain (1) when Teleconnect began providing VoIP services in Arizona, (2) the number telephone numbers assigned to residence customers in Arizona at end-of-year 2009 and (3) the number of telephone numbers assigned to business customers in Arizona at end-of-year 2009.

RESPONSE: Applicant does not currently provide Voice over Internet Protocol (VoIP) services in the State of Arizona or in any other jurisdiction.

STF 1.23 Does Teleconnect plan to form an affiliate or subsidiary which will provide VoIP services in Arizona? If yes, please explain when such entity will be formed.

RESPONSE: Applicant will not be forming any type of affiliate association nor any kind of subsidiary in order to provide VoIP services in the State of Arizona.

STF 1.24 Does Teleconnect intend to deploy a facilities-based local exchange network or any elements of a facilities-based local exchange network? If yes, please explain if the network or network elements will be based on traditional wireline or VoIP technology.

RESPONSE: Applicants network elements will be based on VoIp technology only, and provisioned as specified in item STF 1.6.

STF 1.25

If Teleconnect intends to deploy a VoIP facilities-based local exchange network that interconnects directly to the Public Switched Telephone Network ("PSTN") or any VoIP network elements that interconnect directly to the PSTN, please respond to the following:

1 - Does Teleconnect understand that all VoIP services and traffic directly interconnecting to the PSTN will be under the jurisdiction of the Commission's CC&N authority and,

2 - Does Teleconnect understand that all VoIP customers, lines and revenues are to be included in Commission required or requested reports such as Annual Reports due by April 15 of each year?

RESPONSE: Applicant understands that direct interconnection to the PSTN will subject to the Commission's jurisdiction; and that those lines and revenue will be subject to the annual reporting requirements of the Commission due by April 15th of each year.

STF 1.26

Will Teleconnect be seeking central office codes (NPA-NXX-XXXX) assignments from the North American Numbering Plan Administration ("NANPA")?

RESPONSE: Applicant will be seek codes if required once authority is secured, however, service will be provisioned on existing phone numbers and broadband provided by the underlying carrier.

ATTACHEMENT STF 1.3

New York Authority Decision

Florida Authority Decision

STATE OF NEW YORK DEPARTMENT OF PUBLIC SERVICE
THREE EMPIRE STATE PLAZA, ALBANY, NY 12223-1350
Internet Address: <http://www.dps.state.ny.us>

PUBLIC SERVICE COMMISSION

GARRY A. BROWN
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Secretary

June 26, 2009

Mr. Todd Satterwhite, President
Teleconnect, LLC
27881 Via De Costa
San Juan Capistrano, CA 92675

Re: Matter No. 09-00925

Dear Mr. Satterwhite:

The application, by Teleconnect, LLC on May 22, 2009 for a Certificate of Public Convenience and Necessity to operate in New York State as a facilities-based provider and reseller of telephone service, with authority to provide local exchange service, is hereby approved. This approval is based upon the accuracy of the information provided in the company's application and may be revoked if the application is found to contain false or misleading information, for failure to file or maintain current tariffs, or for violation of Commission rules and regulations.

The company's tariffs, P.S.C. Nos. 1 and 2 – Telephone, are also approved. The Secretary to the Commission will cause a copy of this letter to be filed with your Company's tariff, as notice to the public that the filing was allowed to go into effect on the date of this letter, as opposed to the date indicated on the tariff leaves themselves.

The company is not authorized to use its own operators to handle 0- (emergency or non-emergency) calls. Such calls must be routed to another telephone company or operator services provider authorized to handle such calls, until such time as an amended Certificate of Public Convenience and Necessity is obtained pursuant to Part 649.6 of the Commission's rules.

The company must obtain any required consents of municipal authorities before commencing construction of telephone lines. It must also comply with

applicable federal laws, New York State Public Service Law and related statutes, and the Commission's rules and regulations.

The following reporting requirements also apply:

- Service Outage Reports. Major service outages should be reported to Department Staff by telephone when they occur. See Enclosure 1 for specific instructions.
- Operating Revenues. These reports are due March 31 each year. The company will be notified in writing each year of the required content and format of these reports.
- Service Quality Reports. These reports are due on the 10th of each month, commencing when the company actually has local exchange lines in service. See Enclosure 2 for further information and instructions.

We also ask that you forward the following information to Judy Sylvester of our staff within 30 days of receipt of this letter:

- The company's emergency contingency plan describing its operational procedures in the event of major service outages, storms, disasters, or other unusual conditions. Any updates or changes to the plan should be promptly forwarded as well.
- The name and telephone number of a company person responsible for coordinating local service migration issues with other carriers and Department Staff.

If you have any questions, please contact Mary B. Monaco at 518-486-2830.

By direction and delegation
of the Commission,



Chad G. Hume
Director
Office of Telecommunications

Enclosures 1, 2
cc: Greg Pattenau
Gary Hildenbrandt
Judy Sylvester
Central Operations (2)
Sally Cole, Regulatory Agent

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for certificate to provide
competitive local exchange
telecommunications service by Teleconnect of
California, LLC d/b/a Teleconnect LLC.

DOCKET NO. 100086-TX

In re: Application for certificate to provide
competitive local exchange
telecommunications service by Opextel LLC
d/b/a Alodiga.

DOCKET NO. 100087-TX
ORDER NO. PSC-10-0342-CO-TX
ISSUED: June 2, 2010

CONSUMMATING ORDER

BY THE COMMISSION:

By Order No. PSC-10-0281-PAA-TX, issued May 6, 2010, this Commission proposed to take certain action, subject to a Petition for Formal Proceeding as provided in Rule 25-22.029, Florida Administrative Code. No response has been filed to the order, in regard to the above mentioned dockets. It is, therefore,

ORDERED by the Florida Public Service Commission that Order No. PSC-10-0281-PAA-TX has become effective and final. It is further

ORDERED that these dockets shall be closed.

By ORDER of the Florida Public Service Commission this 2nd day of June, 2010.



ANN COLE
Commission Clerk

(SEAL)

VSM

DOCUMENT NUMBER-DATE

04581 JUN-2 2010

FPSC-COMMISSION CLERK

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any judicial review of Commission orders that is available pursuant to Section 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Office of Commission Clerk and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

REVISED TARIFF PAGES

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)**2.1 Undertaking of the Company (Cont'd.)****2.1.3 Terms and Conditions****2.1.3.1 Minimum Service Period - Residential Customers**

- A. Minimum Service Period for Residential Customers will be considered to be one (1) month (each month will be considered to have 720 hours or thirty (30) days).
- B. The customer must pay the regular tariffed rate for the service they subscribe to for the minimum period of service. If a customer disconnects service before the end of the minimum service period, customer is responsible for paying the regular rates up to and including the date service terminates.
 - 1. If service is moved within the same premises, or to a different premises under the customers control and direction, the period of service at each location is accumulated to calculate the minimum period of service.
- C. If service is terminated before the end of the minimum period of service as a result of condemnation of property, damage to property requiring the premises to be abandoned, or by the death of the customer, the customer is not obligated to pay for service for the remainder of the minimum period.
- D. Customers will be considered to have entered into a service order; which shall contain specific description of the service ordered, the rates to be charged, the duration of the services, and the terms and conditions; when completing written application for service.
- E. Continuation of Service - Unless Customer notifies Company of intent to terminate service, after the initial service period; the service shall renew automatically monthly until such time as Customer notifies Company in writing or orally, or by on-line request, of intent not to renew, at least twenty (20) days prior to the intended termination date. Any termination shall not relieve the Customer of obligation to pay any charges incurred under the service order prior to and including the date of termination.

Issued Date:

Issued By: Todd Satterwhite, President
27881 Via De Costa
San Juan Capistrano, CA 92675

Effective Date:

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)**2.1 Undertaking of the Company, (Cont'd.)****2.1.3.2 Minimum Service Period - Business Customers**

- A. Minimum Service Period for Business Customers is provided on a term basis. The minimum term period is one (1) year unless otherwise specified in this tariff or mutually agreed upon by contract.
- B. The customer must pay the regular tariffed rate for the service they subscribe to for the minimum period of service. If a customer disconnects service before the end of the minimum service period, that customer is responsible for paying the regular rates for the remainder of the minimum service period. When the service is moved within the same building, to another building on the same premises, or to a different premises entirely, the period of service at each location is accumulated to calculate the minimum service period.
- C. If service is terminated before the end of the minimum period of service as a result of condemnation of property, damage to property requiring the premises to be abandoned, or by the death of the customer, the customer is not obligated to pay for service for the remainder of the minimum period.
- D. Business Customers will be required to enter into written service orders which shall contain or reference a specific description of the service ordered, the rates to be charged, the duration of the services, and the terms and conditions in this tariff. Customers may also be required to execute a contract for service as is reasonable.
- E. Continuation of Service - Except as otherwise stated in the tariff, at the expiration of the initial term specified in each Service Order, or in any extension thereof; service shall be renewed automatically for a one (1) year term, unless the Customer provides notice of intent not to renew such agreement at least thirty (30) days prior to the end of the initial or any additional term. Any termination shall not relieve the Customer of its obligation to pay any charges incurred under the service order and this tariff prior to termination. The rights and obligations that by their nature extend beyond the termination of the term of the service order shall survive such termination.

Issued Date:

Issued By: Todd Satterwhite, President
27881 Via De Costa
San Juan Capistrano, CA 92675

Effective Date:

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.5 Payment Arrangements (Cont'd.)

2.5.2 Billing of Charges (Cont'd.)

- E. If any portion of the payment is not received by the Company, or if any portion of the payment is received by the Company in funds that are not immediately available, within twenty (20) days of the mail date on the bill, then a late payment penalty shall be due the Company. The late payment penalty shall be that portion of the payment not received by the date due minus any charges billed as local taxes multiplied by 1.5%.
- F. The Customer will be assessed a *maximum* charge of twenty dollars (\$20.00) for each check submitted by the Customer to the Company that a financial institution refuses to honor. See Section 11, Page 1 for current charges.
- G. If service is disconnected by the Company in accordance with Section 2.6 following and later restored, restoration of service will be subject to all applicable installation charges.

Issued Date:

Issued By: Todd Satterwhite, President
27881 Via De Costa
San Juan Capistrano, CA 92675

Effective Date:

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)**2.5 Payment Arrangements (Cont'd.)****2.5.5 Deposits****2.5.5.1 Residential Customers**

- A. The Company will not require a deposit from a new residential customer if that customer has had continuous telephone service of a comparable nature with the Company at another service location within past two (2) years, twenty-four (24) months; and was not delinquent in payment more than once during the last consecutive twelve (12) months, or had not been disconnected for non-payment.
- B. The Customer can provide a letter of credit or other appropriate verification from a telephone utility where the Customer had service of a comparable nature; and;
 - 1. Customer had a timely payment history at the time of discontinuation;
 - 2. Customer has no outstanding balance or liability from prior service provider.
- C. In lieu of a deposit, Customer may provide a Letter of Guarantee from an existing customer with service who is acceptable to the Company or a surety bond as a security for the Company. The Company shall then review and release an existing customer as the guarantor for the new customer after twelve (12) consecutive months, if no obligations are delinquent and the new Customer has maintained a timely payment history with the Company.

Issued Date:

Issued By: Todd Satterwhite, President
27881 Via De Costa
San Juan Capistrano, CA 92675

Effective Date:

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.5 Payment Arrangements (Cont'd.)

2.5.5 Deposits (cont'd)

2.5.5.1 Residential Customers (cont'd)

- D. If a deposit is required, the amount of the deposit shall not exceed 2 times the Customers estimated maximum monthly billing.
1. The Company may require the establishment of a deposit if the Customer becomes delinquent in monthly payments of two or more bills within a consecutive twelve (12) month period, or has been disconnected for non-payment in the preceding twelve (12) months.
 - a. The Company may review the Customers usage after connection and adjust the deposit requirement based upon a Customers' actual usage.
- E. The Company shall issue a receipt to the Customer for the deposit. The inability of the Customer to produce such a receipt shall in no way impair the Customer's right to receive a refund of the deposit reflected in the Company's records.
1. The Company shall keep a record of each cash deposit until the deposit is returned or refunded. Records will show; the name of Customer making a deposit; the premises occupied by the Customer for which the deposit is made; the amount and date of deposit; a record of each transaction, such as the payment of interest, interest credited, etc., concerning the deposit.

Issued Date:

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27881 Via De Costa
San Juan Capistrano, CA 92675

Effective Date:

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.5 Payment Arrangements (Cont'd.)

2.5.5 Deposits (cont'd)

2.5.5.1 Residential Customers (cont'd)

2. All deposits from a Customer for service, paid to the Company, shall be simple interest bearing at a rate of 6%.
3. Upon discontinuance of service, or when a Customer has established credit by other means, the Company will refund any deposit, plus accrued interest, or the balance, if any, in excess of the unpaid bills for the services furnished by the company. A transfer of service from one location to another within the Company's serving area shall not be deemed a discontinuance with the Company if the character of the service remains unchanged.
4. Deposits will be refunded after twelve months of timely payment, with interest as specified above.

Issued Date:

Issued By: Todd Satterwhite, President
27881 Via De Costa
San Juan Capistrano, CA 92675

Effective Date:

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)**2.5 Payment Arrangements (Cont'd.)****2.5.5 Deposits (Cont'd.)****2.5.5.2 Business Customers**

- A. The Company may require deposit from new business customers, unless negotiated by contract.
1. If a deposit is required; the amount of the deposit shall not exceed 2 ½ times the Customers estimated maximum monthly billing
 2. The Company may require the establishment of a deposit, after service initiation, if the Customer becomes delinquent in monthly payments of two or more bills within a consecutive twelve (12) month period, or has been disconnected for non-payment in the preceding twelve (12) months.
 - a. The Company may review the Customers usage after connection and adjust the deposit requirement based upon a Customers' actual usage.
- B. The Company shall issue a receipt to the Customer for any and all deposits. The inability of the Customer to produce such a receipt shall in no way impair the Customer's right to receive a refund of the deposit reflected in the Company's records.
1. The Company shall keep a record of each deposit until the deposit is returned or refunded. Records will show; the name of Customer making a deposit; the premises occupied by the Customer for which the deposit is made; the amount and date of deposit; a record of each transaction, such as the payment of interest, interest credited, etc., concerning the deposit.

Issued Date:

Issued By: Todd Satterwhite, President
27881 Via De Costa
San Juan Capistrano, CA 92675

Effective Date:

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.5 Payment Arrangements, (Cont'd.)

2.5.5 Deposits, (Cont'd.)

2.5.5.2 Business Customers (cont'd)

2. All deposits from a Customer for service, paid to the Company, shall be simple interest bearing at a rate of 6%.
3. Upon discontinuance of service, or when a Customer has established credit by other means, the Company will refund any deposit, plus accrued interest, or the balance, if any, in excess of the unpaid bills for the services furnished by the company. A transfer of service from one location to another within the Company's serving area shall not be deemed a discontinuance with the Company if the character of the service remains unchanged.
4. Deposits will be refunded after twelve months of timely payment, or upon expiration of contract arrangement, with interest as specified above.

Issued Date:

Issued By: Todd Satterwhite, President
27881 Via De Costa
San Juan Capistrano, CA 92675

Effective Date:

SECTION 3 - SERVICE AREAS

3.1 Exchange Service Areas

Local exchange services are provided, subject to availability of facilities and equipment, in areas currently served by the following Incumbent LECs:

- 1) Qwest Corporation

Issued Date:

Issued By: Todd Satterwhite, President
27881 Via De Costa
San Juan Capistrano, CA 92675

Effective Date:

SECTION 4 - DESCRIPTION OF SERVICE (CONT'D)**4.4 Public Telephone Surcharge**

In order to recover Company expenses to comply with the FCC's pay telephone compensation plan effective on October 7, 1997 (FCC 97-371), an undiscountable per call charge is applicable to all intrastate calls that originate from any pay telephone used to access Company provided services. This surcharge, which is in addition to standard tariffed usage charges and any applicable service charges and surcharges associated with service, applies for the use of the instrument used to access Company provided service and is unrelated to the service accessed from the pay telephone.

Pay telephones include coin-operated and coinless phones owned by local telephone companies, independent companies and interexchange carriers. The Public Pay Telephone Surcharge applies to the initial completed call and any reoriginated call (e.g., using the "#" symbol). The Public Pay Telephone Surcharge does not apply to calls placed from pay telephones at which the Customer pays for service by inserting coins during the progress of the call.

Whenever possible, the Public Pay Telephone Surcharge will appear on the same invoice containing the usage charges for the surcharged call. In cases where proper pay telephone coding digits are not transmitted to the Company prior to completion of a call, the Public Pay Telephone Surcharge may be billed on a subsequent invoice after the Company has obtained information from a carrier that the originating station is an eligible pay telephone.

Rate Per Call: \$0.60

Issued Date:

Issued By: Todd Satterwhite, President
27881 Via De Costa
San Juan Capistrano, CA 92675

Effective Date:

SECTION 4 - DESCRIPTION OF SERVICE (CONT'D)

4.5 Timing of Calls (Duration of Use Charges)

4.5.1 Chargeable Time

- A. All times refer to local time.
- B. Long distance usage charges are based on actual network usage. Usage will be considered to have begun when the calling party picks up the receiver. Up to 60 seconds of ringing is allowed before a call will be billed as usage of the network.
- C. A call is considered terminated when the calling party hangs up and thereby releases the network connection. If the called party hangs up but the calling party does not, chargeable time ends when the network connection is released or by automatic timing equipment within the network.
- D. There will not be a charge for incomplete calls.

4.5.2. Billing Increments

- A. Minimum call duration and initial billing period is 60 seconds for all intrastate direct dialed calls unless otherwise specified by this tariff. Additional period(s) are measured and rounded to the next higher 60 second increment unless otherwise specified in this tariff.
 - 1. Calls will be rounded to the second decimal place amount of a call charge.

Issued Date:

Issued By: Todd Satterwhite, President
27881 Via De Costa
San Juan Capistrano, CA 92675

Effective Date:

SECTION 4 - DESCRIPTION OF SERVICE (CONT'D)**4.5 Timing of Calls (Duration of Use Charges)(Cont'd)****4.5.3 Calculation of Distance**

Usage charges for all mileage sensitive products are based on the airline distance rate centers associated with the originating and terminating points of the call.

The airline mileage between rate centers is determined by applying the formula below to the vertical and horizontal coordinates associated with the rate centers involved. The Company uses the rate centers and associated vertical and horizontal coordinates that are produced by Bell Communications Research in their NPA-NXX V & H Coordinates Tape and Bell's NECA Tariff No. 4

FORMULA:
$$2 \sqrt{\frac{(V1 - V2)^2 + (H1 - H2)^2}{10}}$$

EXAMPLE: Distance between Miami and New York City -

<u>VH</u>		
Miami	8,351	529
New York	<u>4,997</u>	<u>1,406</u>
Difference	3,354	-879

Square and add: $11,249,316 + 772,641 = 12,021,957$

Divide by 10 and round: $12,021,957 / 10 = 1,202,195.70$
 $= 1,202,196$

Take square root and round: $1,202,196 = 1,096.4$
 $= 1,097 \text{ miles}$

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SECTION 6 - SUPPLEMENTAL SERVICES (CONT'D)**6.5 Directory Listing Service, (Cont'd)****6.5.2 Listings****A. Primary Listing**

One listing, termed the initial listing is included with each Customer's service, and with the initial line of a line hunting group.

B. Additional Listings

For a minimal charge, additional listings may be included in the alphabetical directory and on directory assistance records, or appear on directory assistance records only. The monthly rate for additional listings apply when the listings appear in Directory Assistance records in accordance with the date requested by the Customer.

If an additional listing is ordered discontinued by the Customer after the closing of the directory, the monthly rate continues through that issue of the directory and up to the date for rates to be effective for the next directory. If the additional listing is ordered discontinued before the closing date of the directory in which it would first appear the monthly rate continues only to the date of cancellation by the Customer, with a minimum service period of one month.

C. Foreign Listing (Out of Area Listing)

Where available, a listing in a telephone directory which is not in the Customer's immediate calling area and would not normally be part of that Customer's area directory. The Customer will be charged the rates specified in the tariff published by the specific local exchange carrier providing the requested Foreign Listing.

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SECTION 6 - SUPPLEMENTAL SERVICES, (CONT'D)
6.2 Directory Assistance Services (Cont'd)**6.2.1 Local Directory Assistance (Cont'd)**

Unless one of the exceptions listed above applies, the charges as shown below apply for each request made to the Directory Assistance operator:

	<u>Maximum Per query</u>
Local Directory Assistance	
Direct dialed:	\$0.75
Via operator :	\$1.25

6.2.2 Call Completion

The charges as shown below apply for each request made to the Directory Assistance Operator in which the operator completes the call to the desired number.

There are no allowances for Directory Assistance Call Completion, however, the Directory Assistance portion of the call is still governed by any appropriate call allowances and exemptions as stated in Section 6.2.1 of this tariff.

Per completed call	\$1.50
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6.2.3 National Directory Assistance Service

National Directory Assistance Service is provided to Customers of the Company for the purpose of requesting telephone numbers of individuals or businesses who are located outside the Customer's local Directory Assistance service area.

There are no call allowances or exemptions for National Directory Assistance. A maximum of two(2) requested telephone numbers are allowed per call.

Per Call:	\$3.00
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SECTION 6 - SUPPLEMENTAL SERVICES (CONT'D)

6.5 Directory Listing Service (Cont'd)

6.5.3 Rates

Additional Listing, per listing:	\$1.75
Foreign Listing (Out of Area Listing):	\$1.75
Non-published Service, per listing:	\$1.75
Non-directory Listed Service, per listing:	\$1.10

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SECTION 11 - RATES (CONT'D)
11.3 Supplemental Services, (Cont'd)**11.3.1 Custom Calling Features, (Cont'd)****B. Features Offered on a Usage Sensitive Basis**

Custom Calling Feature	Per Use
3-Way Calling	\$0.75
Repeat Dialing	\$0.75
Automatic Callback	\$0.75
Caller Originating Trace	\$5.00

11.3.2 Directory Assistance Services**A. Local Directory Assistance** **Per Call**

If Direct Dialed: \$ 0.75

If Operator Assisted: \$ 1.25

B. Call Completion

Maximum Per Completed Call: \$ 0.30

C. National Directory Assistance Service

Direct Dial: \$ 0.95

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SECTION 2 – REGULATIONS (cont'd)**2.5 Customer Deposits and Advance Payments (Cont'd)****2.5.2 Deposits - Residential Customers (Cont'd)**

- D. If a deposit is required, the amount of the deposit shall not exceed 2 times the Customers estimated maximum monthly billing.
1. The Company may require the establishment of a deposit if the Customer becomes delinquent in monthly payments of two or more bills within a consecutive twelve (12) month period, or has been disconnected for non-payment in the preceding twelve (12) months.
 - a. The Company may review the Customers usage after connection and adjust the deposit requirement based upon a Customers' actual usage.
- E. The Company shall issue a receipt to the Customer for the deposit. The inability of the Customer to produce such a receipt shall in no way impair the Customer's right to receive a refund of the deposit reflected in the Company's records.
1. The Company shall keep a record of each cash deposit until the deposit is returned or refunded. Records will show; the name of Customer making a deposit; the premises occupied by the Customer for which the deposit is made; the amount and date of deposit; a record of each transaction, such as the payment of interest, interest credited, etc., concerning the deposit.

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SECTION 2 – REGULATIONS (cont'd)

2.5 Customer Deposits and Advance Payments (Cont'd)

2.5.2 Deposits - Residential Customers (Cont'd)

2. All deposits from a Customer for service, paid to the Company, shall be simple interest bearing at a rate of 6%.
3. Upon discontinuance of service, or when a Customer has established credit by other means, the Company will refund any deposit, plus accrued interest, or the balance, if any, in excess of the unpaid bills for the services furnished by the company. A transfer of service from one location to another within the Company's serving area shall not be deemed a discontinuance with the Company if the character of the service remains unchanged.
4. Deposits will be refunded after twelve months of timely payment, with interest as specified above.

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SECTION 2 - RULES AND REGULATIONS (CONT'D)**2.5 Customer Deposits and Advance Payments (Cont'd)****2.5.3 Business Customers**

- A. The Company may require deposit from new business customers, unless negotiated by contract.
1. If a deposit is required; the amount of the deposit shall not exceed 2 ½ times the Customers estimated maximum monthly billing.
 2. The Company may require the establishment of a deposit, after service initiation, if the Customer becomes delinquent in monthly payments of two or more bills within a consecutive twelve (12) month period, or has been disconnected for non-payment in the preceding twelve (12) months.
 - a. The Company may review the Customers usage after connection and adjust the deposit requirement based upon a Customers' actual usage.
- B. The Company shall issue a receipt to the Customer for any and all deposits. The inability of the Customer to produce such a receipt shall in no way impair the Customer's right to receive a refund of the deposit reflected in the Company's records.
1. The Company shall keep a record of each deposit until the deposit is returned or refunded. Records will show; the name of Customer making a deposit; the premises occupied by the Customer for which the deposit is made; the amount and date of deposit; a record of each transaction, such as the payment of interest, interest credited, etc., concerning the deposit.

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SECTION 2 - RULES AND REGULATIONS (CONT'D)**2.5 Customer Deposits and Advance Payments (Cont'd)****2.5.3 Business Customers (cont'd)**

2. All deposits from a Customer for service, paid to the Company, shall be simple interest bearing at a rate of 6%.
3. Upon discontinuance of service, or when a Customer has established credit by other means, the Company will refund any deposit, plus accrued interest, or the balance, if any, in excess of the unpaid bills for the services furnished by the company. A transfer of service from one location to another within the Company's serving area shall not be deemed a discontinuance with the Company if the character of the service remains unchanged.
4. Deposits will be refunded after twelve months of timely payment, or upon expiration of contract arrangement, with interest as specified above.

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SECTION 2 – REGULATIONS (cont'd)**2.6 Payment Arrangements****2.6.1 Payment for Service**

The Customer is responsible for the payment of all charges for facilities and services furnished by the Company to the Customer.

(A) Taxes

The Customer is responsible for payment of any sales, use, gross receipts, excise, access or other local, state and federal taxes, charges or surcharges (however, designated) (excluding taxes on the Company's net income) imposed on or based upon the provision, sale or use of Network Services.

2.6.2 Billing and Collection of Charges

The Customer is responsible for payment of all charges incurred by the Customer or other users for services and facilities furnished to the Customer by the Company.

- (A)** Non-recurring charges are due and payable within 30 days after the date of the invoice.
- (B)** The Company shall present invoices for Recurring Charges monthly to the Customer, in advance of the month in which service is provided, and Recurring Charges shall be due and payable within 30 days after the date of the invoice. When billing is based upon customer usage, usage charges will be billed monthly for the preceding billing period.
- (C)** When service does not begin on the first day of the month, or end on the last day of the month, the charge for the fraction of the month in which service was furnished will be calculated on a prorata basis. For this purpose, every month is considered to have 30 days.

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