Judith O. Hooper (Utah Bar No. 8676) Counsel for All American Telephone Co., Inc. 1458 S. 1300 E. Salt Lake City, Utah 84105

Telephone: (801) 250-6639 FAX: (801) 250-4420

E-Mail: johooper20@hotmail.com

Attorney for Applicant, All American Telephone Co., Inc.

BEFORE THE UTAH PUBLIC SERVICE COMMISSION

| Application of |) | | |
|---|---|------------|------------|
| |) | | |
| All American Telephone Co., Inc. |) | | |
| |) | Docket No. | 06-2469-01 |
| For a Certificate of Public Convenience and |) | | |
| Necessity to Provide Local Exchange |) | | |
| Services within the State of Utah |) | | |

AMENDED APPLICATION

All American Telephone Company, Incorporated ("All American" or "Applicant"), by its undersigned counsel and pursuant to the Commission's Rules of Practice and Procedure (Utah Admin. Code R746-100), Section 63-46b-3 of the Utah Administrative Code, Sections 54-8b-1.1, et seq., of the Utah Code and the Telecommunications Act of 1996 ("1996 Act"), 47 U.S.C. §§ 151, et seq., hereby applies to the Utah Public Service Commission for a certificate of public convenience and necessity authorizing Applicant to operate as a provider local exchange telecommunications services in the State of Utah. Exhibits previously submitted with the original application remain unchanged and are not affected by this amended application.

All American intends to provide intrastate interexchange services within and throughout

the State of Utah, in the territory of Beehive Telephone Company, Inc., with separate application

to the Commission in the event of future competitive offerings in other rural areas of the State.

Other than in Beehive territory, Applicant is proposing to provide public telecommunication

services in the state of Utah, excluding those exchanges with less than 5,000 access lines that are

served by incumbent telephone corporations with fewer than 30,000 access lines in the state.

In support of its application, All American provides the following information pursuant to

Utah Admin. Code R746-349:

Applicant's legal name is All American Telephone Company, Inc. Applicant will be 1.

conducting business in Utah under the name "All American Telephone Company, Inc." and or "All

American Telephone". Applicant may be reached at its principal place of business:

All American Telephone Company, Inc.

8635 West Sahara Avenue

Las Vegas, Nevada 89117

702-499-9889

(fax) 702-920-8844

(toll free) 800 510-7800

email: goodale@gt.rr.com

All American Telephone Company, Inc. is a Nevada corporation organized on May 8, 1995

under the laws of Nevada. A copy of All American's Articles of Incorporation is attached hereto as

Exhibit A.

2. Correspondence or communications pertaining to this Application should be directed

to:

Judith O. Hooper

Hooper Law Offices

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1458 S. 1300 E.

Salt Lake City, Utah 84105 Telephone: 801-250-6639 Facsimile: 801-250-4420

3. Questions concerning the ongoing operations of Applicant following certification should be directed to:

David Goodale President & CEO 8635 West Sahara Avenue Las Vegas, Nevada 89117 702-499-9889 (telephone) 702-920-8844 (fax) 1-800-510-7800 (toll free) email: goodale@gt.rr.com

4. Applicant's registered agent in the State of Utah is:

Judith O. Hooper 1458 S. 1300 E. Salt Lake City, UT 84105 801-250-6639

5. All American's toll-free number for customer inquiries is 1-800-510-7800. Applicant's designated representative for responding to consumer complaint inquiries by the public is:

David Goodale President & CEO 8635 West Sahara Avenue Las Vegas, Nevada 89117 702-499-9889 (telephone) 702-920-8844 (fax) 1-800-510-7800 (toll free) email: goodale@gt.rr.com

- 6. R746-349-3(A)(3). Facilities to be used. All American intends to deploy its own switching platform and will, as business demands, deployed certain of these facilities in collocated sites throughout Utah. Other than gateway switching platforms to be deployed, All American does not currently own property in the State of Utah and has not yet completed plans for construction of voice or data transport facilities in Utah. Initially, All American proposes to provide local exchange service, operating as a switch-based reseller of the Incumbent Local Exchange Carrier's (ILEC) facilities and/or as a reseller of the facilities of other certificated Competitive Local Exchange Carriers (CLEC). As a switched-based reseller of ILEC and/or CLECs facilities, All American will rely on its facilities-based underlying carrier(s) for the operation and maintenance of the local exchange network. All American will then purchase unbundled network elements from the ILEC and/or lease facilities and network from other CLECs.
- 7. R746-349-3(A)(4). Services to be offered. All American seeks authority to provide all forms of resold local exchange services, which will allow customers to originate and terminate local calls to other customers served by All American as well as customers served by all other authorized local exchange carriers. All American will also provide switched access services to interexchange carriers, which will allow All American's customers to originate and terminate intrastate and interstate calls to and from customers of all interexchange carriers. All American seeks to provide resold local exchange services to business and residential customers in Qwest Communication's service territories as well as interexchange services (intraLATA and interLATA) throughout the state of Utah. Resale authority is sought for the entire state for interexchange services and for Qwest's service territory for local exchange services.

All American specifically seeks authority to resell Qwest's, other incumbent LECs and authorized CLECs' local exchange services and IXCs' interexchange services to business and residential customers throughout the state of Utah. All American intends to resell both local exchange services and switched and dedicated interexchange carrier services.

- 7. (a) <u>R746-349-3(A)(4)(a)</u>. <u>Classes of customers</u>. All American will be serving business and residential customers.
- 7. (b) <u>R746-349-3(A)(4)(b)</u>. <u>Location of Service</u>. All American will provide service to and from all points in Utah. ¹/
- 7. (c) R746-349(A)(4)(c). 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 multiline customers (including basic access lines, direct inward-outward PBX trunk service, Centrex services, and ISDN and DSL); and (ii) local exchange usage services to customers of All American's end-user access line services. All American intends to offer both inbound and outbound intraLATA services. This will be accomplished primarily through the resale of the facilities of ILECs and/or CLECs. Applicant's services will be available on a full-time basis 24 hours a day, seven days a week.
 - 8. <u>R746-349-3(A)(5)</u>. Access to standard services. All American will provide access to ordinary intraLATA and interLATA message toll calling, operator services, directory assistance, directory listings, and emergency services such

¹/All American currently does NOT plan to provide local exchange services in the service areas of small or rural local exchange carriers ("LECs") as defined by the Telecommunications Act of 1996, except in Beehive Telephone Co., Inc. territory, or as applied for in the future before the Utah Public Service Commission.

as 911 and E911 either through its own operations or by purchasing those

services from ILECs, certificated CLECs and other companies specializing in

providing these services on a competitive basis.

9. R746-349-3(A)(6)–(7). Professional experience and education of managerial

personnel and personnel responsible for Utah operations. All Company

operations will be handled by Mr. David Goodale, the President & CEO of

All American and other members of Applicant's current management team

based primarily in Nevada. Applicant's officers and directors are as follows:

Directors:

Name: David Goodale

Name: Joy Boyd

Officers:

David Goodale, President & CEO

David Goodale, CFO

Descriptions of the extensive telecommunications and managerial experience of Applicant's

key personnel are attached hereto as **Exhibit B**.

10. <u>R746-349-3(A)(1)</u>, <u>R746-349-3(A)(8)–(10)</u>. Financial Abilities. All American is

financially qualified to provide local exchange telecommunications services in Utah. In particular,

All American has access to the financing and capital necessary to conduct its telecommunications

operations as specified in this application.

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- 10. (a) <u>R746-349-3(A)(8)</u>. Chart of accounts. All American's chart of accounts including account numbers, names, and brief descriptions is attached hereto as **Exhibit C**.
- 10. (b) R746-349-3(A)(9)(a)–(c). Balance sheet. Applicant's balance sheet prepared according to Generally Accepted Accounting Principles ("GAAP") and a letter from management attesting to the accuracy, integrity, and objectivity of the balance sheet and attesting that the balance sheet was prepared in accordance with GAAP are attached hereto as **Exhibit D**. In accordance with R746-349-3(A)(11)(a), this balance sheet shows that All American has a positive net worth.
- 10. (c) R746-349-3(A)(9)(d). Parent company's financial statements. Attached hereto as **Exhibit E** is a copy of the Applicants financials. These statements show that, in accordance with R746-349-3(A)(10)(b), Applicant will have available sufficient resources to meet cash needs as shown in the five-year projection (see paragraph 11 (a) below).
- 10. (d) R746-349-3(A)(10)(c), R746-349-3(A)(2). Bond requirement. All American respectfully requests that the Commission grant a waiver from the requirement that All American show proof of a bond in the amount of \$100,000 in order to protect customer deposits or other liabilities. All American does not plan at this time to collect customer deposits. If at some time in the future, All American decides to collect deposits from Utah customers, All American will comply with all applicable Utah laws and Commission rules and regulations.
- 11. R746-349-3(A)(11). Five-year projection of expected operations.
- 11. (a) R746-349-3(A)(11)(a). Income and cash flow statements. Please find attached as **Exhibit F** a five-year projection of expected operations including *pro forma* income

statements and *pro forma* cash flow statements. The Applicant is focusing on a particularly niche market within the state of Utah, and believes it can provide services to this market segment as a switched-based reseller. Accordingly, as demonstrated in its 5-year projection of expected operations in the state of Utah, the Company does not anticipate making significant capital expenditures in order to serve the identified market.11. (b) R746-349-3(A)(11)(b). Types of technology to be deployed. All American will install state-of-the-art telecommunications gateway switching equipment. Applicant will lease existing local fiber-optic network infrastructure to provide trunking facilities to the ILEC and/or one or more CLECs. The Applicant anticipates the fiber-optic network infrastructure it utilizes will connect All American's network to major ILEC central officers and customers in the central business district and outlying areas of business concentrations in each market. All American's network will also be connected to an ILEC tandem switch and certain IXC points of presence ("POPs"). As each customer is obtained, service will be provisioned by leasing unbundled loops or other facilities (e.g., T1s) from the ILEC to connect the end user to All American's network.

- 11. (c) R746-349(A)(11)(c). Maps of facilities locations. As stated in Paragraph 5 above, All American has not yet completed its switching or leased facilities implementation plans for Utah; therefore, the exact location of future leased facilities and descriptions of the specific facilities to be utilized are not yet available. Once these plans are finalized, All American will, if the Commission so desires, notify the Commission of such plans.
- 12. <u>R746-349-3(A)(6)</u>, <u>R746-349-3(A)(12)</u>. <u>Implementation schedule</u>. Please find a tentative schedule attached hereto as **Exhibit G**.

- American's officers have the necessary managerial and technical resources and qualifications necessary to execute its business plan, to provide its proposed telecommunications services, and to operate and maintain All American's facilities, over which such services will be deployed. All American's management team has more than 15 years' experience in telecommunications. Il American has no other pending applications to provide interexchange telecommunications and/or local exchange services in any other state or jurisdiction. Presently, All American provides local exchange services in the state of Nevada. All American has not been refused certification in any state, nor has it had a permit, license, or certificate revoked by any state.
- 14. R746-349-3(A)(1), R746-349-3(A)(14). Public interest. All American is an innovative company that has developed a variety of innovative marketing approaches. All American is precisely the kind of innovative start-up envisioned by Congress when they enacted the 1996 Telecommunications Act. Approval of All American's application will serve the public interest by creating greater competition in the local exchange marketplace for both business and residential customers. Applicant anticipates that its proposed service will provide its subscribers with better quality services and enhanced user features and will increase consumer choice through Applicant's reliable service offerings. The public convenience and necessity, therefore, will be served by the issuance of a Certificate of Public Convenience and Necessity to Applicant authorizing it to provide the services described in this application.
- 15. <u>R746-349-3(A)(15)</u>. Authority to conduct business. A copy of All American's certificate of good standing from the Nevada Secretary of State is attached hereto as **Exhibit H**.

- 16. R746-349-3(A)(16)–(17). <u>Unauthorized switching</u>, solicitation of new customers, and prevention of unauthorized switching. No complaints have been made nor has any investigation been undertaken against All American or any of its affiliates for unauthorized switching ("slamming") or any other illegal activities. All American will comply with Utah law and the Federal Communications Commission's regulations regarding how carriers may change a consumer's primary interchange carrier ("PIC"). All American will also comply with the FCC's forthcoming regulations regarding how carriers may change a consumer's primary local exchange provider. All American has implemented policies and procedures respecting the solicitation of new customers. These policies require that all new customers execute a contract and letter of agency authorizing All American to provide the telecommunications services requested.
- 17. Waivers and Regulatory Compliance. All American requests that the

 Commission grant it a waiver of those regulatory requirements which are not applicable to

 competitive local service providers such as All American. Such rules are not appropriate or

 necessary for competitive providers and constitute an economic barrier to entry into the local

 exchange market. In addition, All American requests a temporary waiver of the requirement to

 file a tariff until the Company has entered into a Commission-approved interconnection

 agreement that enables it to provide basic local exchange service. Specifically, All American

 requests the following standard waivers that are routinely granted to competitive providers in

 Utah:

Exemptions from title 54:

54-3-8, 54-3-19 -- Prohibitions of discrimination 54-7-12 -- Rate increases or decreases 54-4-21 -- Establishment of property values 54-4-24 -- Depreciation rates 54-4-26 -- Approval of expenditures

| Waivers of Regulations: | |
|-------------------------|---|
| R746-340-2(D) | Uniform System of Accounts |
| R746-340-2(E)(1) | Tariff filings required |
| R746-340-2(E)(2) | Exchange Maps |
| R746-341 | Lifeline (until Commission establishes Lifeline rules that may |
| | include All American or until All American begins to provide residential service. |
| R746-344 | Rate case filing requirements. |
| R746-401 | Reporting of construction, acquisition and disposition of assets. |
| R746-405 | Tariff formats |
| R746-600 | Accounting for post retirement benefits |
| | |

All American requests that it be exempt from record keeping regulations that require a carrier to maintain its financial records in conformance with the Uniform System of Accounts ("USOA"). The USOA was developed by the FCC as a means of regulating telecommunications companies subject to rate-base regulation.

As a competitive carrier, All American maintains its book of accounts in accordance with Generally Accepted Accounting Principles ("GAAP"). Neither the FCC, nor this Commission, have required All American to maintain its records under the USOA for purposes of All American's interexchange operations. Thus, All American does not possess the detailed cost data required by USOA, nor does it maintain detailed records on a state-specific basis. As a competitive provider, All American's network operations are integrated to achieve maximum efficiency. Having to maintain records pertaining specifically to its Utah local service operations would place a severe burden on All American.

Moreover, All American asserts that because it utilizes GAAP, the Commission will have a reliable means by which to evaluate All American's operations and assess its financial fitness. A

Chart of Accounts is provided in Exhibit C. Therefore, All American hereby requests an exemption from the USOA requirements.

All American requests that it not be required to publish local exchange directories. All American will make arrangements with the incumbent LECs whereby the names of All American's customers will be included in the directories published by the incumbent LECs. LEC directories will also be modified to include All American's customer service number. These directories will be distributed to All American's customers. This approach is entirely reasonable and will have a direct benefit to the customers of both All American and the incumbent LECs since customers will have to refer to only one directory for a universal listing of customer information. It would be an unnecessary burden on All American to require that it publish and distribute its own directory to all customers located within each exchange area, particularly since nearly all of these customers will be customers of the incumbent LECs. It is more efficient for All American to simply include its limited customer list in the existing directories of the incumbent LECs.

WHEREFORE, All American respectfully requests that the Utah Public Service

Commission: (1) issue a Certificate of Public Convenience and Necessity authorizing All American

to provide local exchange telecommunications services in the State of Utah; (2) grant the waivers

requested in this Application; and (3) grant such other relief as it deems necessary and appropriate.

Respectfully submitted,

Judith O. Hooper

Attorney for

All American Telephone Company, Inc.

Dated: August 28, 2006

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LIST OF EXHIBITS

EXHIBIT A Articles of Incorporation

EXHIBIT B Management and Technical Qualifications

EXHIBIT C Chart of Accounts

EXHIBIT D Balance Sheet of All American Telephone Company, Inc.

EXHIBIT E Financial Statements of All American Telephone Company, Inc.

EXHIBIT F Five-Year Projection of Expected Operations

EXHIBIT G Implementation Schedule

EXHIBIT H Certificate of Authority to Transact Business

VERIFICATION

EXHIBIT A

Certificate of Formation

EXHIBIT B

Management and Technical Qualifications

EXHIBIT C Chart of Accounts

(Confidential - Filed Under Seal)

1000 - 1999 Assets

2000 - 2999 Liabilities

3000 - 3999 Capital

4000 - 4999 Income or Revenue

5000 - 5999 Project Costs/Cost of Goods Sold

6000 - 6999 Overhead Costs or Expenses

7000 - 7999 Other Income

8000 - 8999 Other Expense

EXHIBIT D

(Confidential – Filed Under Seal)

April 10, 2006

Julie Orchard, Secretary
Utah Public Service Commission
Heber M. Wells Building
160 E. 300 South St.
Salt Lake City, Utah 84111

Re: Application of All American Telephone Company, Inc. for a Certificate of Convenience and Necessity to Provide Local Exchange Services Within the State of Utah

Dear Ms. Orchard:

On behalf of All American Telephone Company, Inc., All American Telephone Company, Inc., the applicant in the above-referenced proceeding, this letter is submitted as an exhibit to All American Telephone Company, Inc.'s application in accordance with R746–349–3(A)(9).

I am CFO of All American Telephone Company, Inc. I have the requisite knowledge to make the following attestation and I am authorized to do so.

I attest to the accuracy, integrity, and objectivity of the balance sheet attached as **Exhibit D** to All American Telephone Company, Inc.'s application. I also attest that the balance sheet was prepared in accordance with Generally Accepted Accounting Principles ("GAAP") I also attest to that accuracy, integrity and objectivity of the Chart of Accounts, attached as **Exhibit C** and the Financial Statements (including Profit and Loss Statement) provided in the attached **Exhibit E**.

EXHIBIT E

 $(Confidential-Filed\ Under\ Seal)$

EXHIBIT F

Five-Year Projection of Expected Operations

 $(Confidential-Filed\ Under\ Seal)$

EXHIBIT G

Implementation Schedule

Tentative Implementation Schedule

Following is the tentative schedule for implementation of All American Telephone

Company, Inc.'s business plan in Utah:

Action Projected Date of Implementation

Begin switch deployment/Colocation: Within 3-5 years of CPCN Grant

Application for Authority & CPNC: April 19, 2006

Testing: Within 3-5 years of CPCN Grant

Initial Service Implementation: Upon Appropriate Certification in Utah.

EXHIBIT H

Certificate of Good Standing

VERIFICATION

VERIFICATION

| County of | |) |
|--------------------------------------|-----------------|--|
| | |) s/s |
| State ofTexas | <u> </u> |) |
| | | |
| | | |
| I, <u>David Goodale</u> | , being first | duly sworn, depose and state that I am an authorized |
| representative of All Am | erican Telepho | one Company, Inc., the Applicant in the subject |
| proceeding; that I am authoriz | ed to make this | s Verification on behalf of All American Telephone |
| Company, Inc.; that I have | e read the fore | going application and exhibits and know the content |
| thereof; that the same are true | and correct to | the best of my knowledge, information, and belief. |
| | | |
| Executed on this 17 th of | day of April, 2 | 006. |
| | | |
| | | |
| | | |
| | | |
| | By: | /SS/ |
| | | |
| | Name: | David Goodale |
| | Title: | CFO |
| | Company: | All American Telephone Company, Inc. |