STATE OF SOUTH CAROLINA

(Caption of Case)

Application of Optic Internet Protocol, Inc. for a Certificate of Public Convenience and Necessity to Provide Resold Intrastate Interexchange Telecommunications Services and for Alternative Regulation of its Interexchange Offerings

BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

COVER SHEET

DOCKET NUMBER: 2009 - 476 - C

(Please type or print)
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DOCKETING INFORMATION (Check all that apply)

☐ **Emergency Relief demanded in petition**

☐ **Request for item to be placed on Commission's Agenda expeditiously**

☐ **Other:**

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)		
☐ Electric	☐ Affidavit	☐ Letter	☐ Request
☐ Electric/Gas	☐ Agreement	☐ Memorandum	☐ Request for Certification
☐ Electric/Telecommunications	☐ Answer	☐ Motion	☐ Request for Investigation
☐ Electric/Water	☐ Appellate Review	☐ Objection	☐ Resale Agreement
☐ Electric/Water/Telecom.	☐ Application	☐ Petition	☐ Resale Amendment
☐ Electric/Water/Sewer	☐ Brief	☐ Petition for Reconsideration	☐ Reservation Letter
☐ Gas	☐ Certificate	☐ Petition for Rulemaking	☐ Response
☐ Railroad	☐ Comments	☐ Petition for Rule to Show Cause	☐ Response to Discovery
☐ Sewer	☐ Complaint	☐ Petition to Intervene	☐ Return to Petition
☒ Telecommunications	☐ Consent Order	☐ Petition to Intervene Out of Time	☐ Stipulation
☐ Transportation	☐ Discovery	☒ Prefiled Testimony	☐ Subpoena
☐ Water	☐ Exhibit	☐ Promotion	☐ Tariff
☐ Water/Sewer	☐ Expedited Consideration	☐ Proposed Order	☐ Other:
☐ Administrative Matter	☐ Interconnection Agreement	☐ Protest	
☐ Other:	☐ Interconnection Amendment	☐ Publisher's Affidavit	
	☐ Late-Filed Exhibit	☐ Report	

Print Form Reset Form

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January 11, 2010

FILED ELECTRONICALLY
The Honorable Charles L.A. Terreni
Chief Clerk
South Carolina Public Service Commission
Post Office Drawer 11649
Columbia, South Carolina 29211

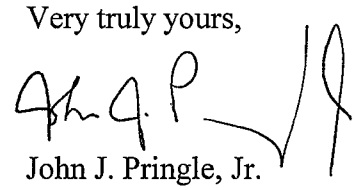
RE: Application of Optic Internet Protocol, Inc. for a Certificate of Public Convenience and Necessity to Provide Resold Intrastate Interexchange Telecommunications Services and for Alternative Regulation of its Interexchange Offerings
Docket No. 2009-476-C, Our File No. 2115-11678

Dear Mr. Terreni:

Enclosed is the **Pre-Filed Testimony of Gregory Allpow** filed on behalf of Optic Internet Protocol, Inc. in the above-referenced docket.

If you have any questions or need additional information, please do not hesitate to contact me.

Very truly yours,



John J. Pringle, Jr.

JJP/cr
cc: Shannon Bowyer Hudson, Esquire (via electronic mail service)
Mr. Gregory Allpow (via electronic mail service)
Thomas K. Crowe, Esquire (via electronic mail service)
Enclosures

BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 2009-476-C

IN RE:	)	
	)	
Application of Optic Internet Protocol,	)	
Inc. for a Certificate of Public	)	**TESTIMONY OF**
Convenience and Necessity to Provide	)	**GREGORY ALLPOW**
Resold Intrastate Interexchange	)	
Telecommunications and for Alternative	)	
Regulation of its Interexchange Service	)	
Offerings		

Q. Will you please state your name and business address.

A. My name is Gregory Allpow. My business address is 900 Arnold Mill Road Roswell, GA 30075.

Q. By whom are you employed and in what capacity?

A. I am the President of Optic Internet Protocol, Inc. ("Optic").

Q. Please describe your duties for the company.

A. I am in charge of coordinating all technical, administrative, financial and regulatory issues relating to new and/or existing services of Optic.

1 **Q. Please give a brief description of your background and experience.**

2 A. As stated above, I am the President of Optic. I founded Optic Internet Protocol, Inc .in
3 2007. I am a seasoned executive, having been involved in all of the disciplines required
4 to run a company. Most recently I was a project manager/environmental consultant with
5 One Consulting Group, Inc. in Atlanta, Georgia. I was also a project manager with
6 Donlon Coatings, Inc. out of Boston, Massachusetts. I have also been project
7 manager/owner for my own paint contracting businesses in Boston and Atlanta.
8 Additionally, I was a project manager/tax consultant for Meridian V.A.T. Reclaim in
9 Atlanta, where I performed tax audits for corporations traveling abroad from 1992-1995.
10 From 1987-1992, I was a project manager/system operator for McDonnell Douglas
11 Electronic Systems in Huntington Beach, California.

12

13 **Q. What is the purpose of your testimony?**

14 A. The purpose of my testimony is to present evidence describing the technical, managerial
15 and financial fitness of Optic to provide resold interexchange telecommunications
16 services in South Carolina. This testimony will also describe the services proposed by
17 Optic and the proposed tariff structure. Finally, the purpose of my testimony is to show
18 that the public interest will be served by approval of the application of Optic for a
19 certificate of public convenience and necessity.

20

21 **Q. Would you like to incorporate by reference any documents into your testimony?**

A. Yes. I would like to incorporate by reference the Company's application and exhibits previously filed with this Commission.

Q. Has Optic registered to do business in South Carolina?

A. Yes. Optic received foreign corporation authority on September 28, 2009. Documentation evidencing this document was attached to the Application as part of Exhibit A.

Q. Please explain the Company's corporate and ownership structure.

A. Optic is a corporation existing under the laws of the State of Delaware, organized on May 23, 2007. The Certificate of Incorporation was attached to the Application as part of Exhibit A.

Q. Please describe the services Optic proposes to offer.

A. Applicant is a reseller of intrastate interexchange telephone services offered by facilities-based inter-exchange carriers. Applicant neither owns, leases, nor operates any switching, transmission, or other physical facilities in the State of South Carolina. Optic proposes to provide 24-hour intrastate interexchange telecommunications services on a statewide basis to its customers. Optic's initial intrastate services will consist of resold long distance services. Applicant may subsequently offer additional services consistent with its business interests and customer demand. Its services will be available on a full-time basis, twenty-four hours a day, seven days a week, to customers within the geographic boundaries of the State of South Carolina. All services provided will meet the service standards that the Commission may adopt.

1

2 **Q. Do any other carriers provide Optic with service?**

3 A. Not at this time. Optic will employ the services of only those carriers properly certified

4 or authorized by this Commission.

5

6 **Q. How will Optic bill for its services?**

7 A. Optic bills its customers directly.

8

9 **Q. How are trouble reports, billing errors and complaints handled?**

10 A. Optic utilizes a nationwide toll-free number (866) 925-1048 for customer service.

11

12 **Q. Are you familiar with the tariff submitted as Exhibit E to the Application?**

13 A: Yes.

14

15 **Q. Was the tariff prepared under your supervision?**

16 A: Yes. It was prepared under my supervision.

17

18 **Q. Describe the proposed Optic South Carolina tariff.**

19 A. Optic has included a proposed interexchange tariff which contains the rules, regulations

20 and rates for Optic's interexchange services. I believe that Optic's tariff will comport

21 with all Orders, Rules and Regulations of the Commission, and Optic will make all

22 changes suggested by the ORS necessary to comply with all such applicable authority.

Should the Application be granted, Optic plans to commence offering services immediately.

Q. What regulatory treatment is Optic seeking in this application?

A. Optic requests that all of its business service offerings be regulated pursuant to the procedures described and set out in Commission Order Nos. 95-1734 and 96-55 in Docket No. 95-661-C, as modified by Commission Order No. 2001-997 in Docket No. 2000-407-C. It is Applicant's intent by this request to have its business services regulated in the same manner as this Commission has permitted for AT&T Communications of the Southern States, Inc. ("AT&T"). Specifically, Applicant requests that the Commission: (a) remove the maximum rate tariff requirements for its business services, consumer card, operator service,[1] private line, and customer network-type offerings; b) presume that the tariff filings for these uncapped services be valid upon filing. However, if the Commission institutes an investigation of a particular filing within seven (7) days, the tariff filing would be suspended until further order of the Commission; and c) grant Applicant the same treatment as AT&T in connection with any future relaxation of the Commission's reporting requirements.

Q. Describe Optic's financial ability to operate as a telecommunications reseller.

A. Optic has submitted its Profit & Loss Statement and Balance Sheet to show it has the financial resources to operate successfully as a telecommunications reseller to consumers

[1] Excepting those operator-assisted calls where a consumer uses a local exchange carrier's calling card to complete calls from locations which have not selected the local exchange carrier as their toll provider. Operator surcharges and per-minute rates for this type of call were capped by

in South Carolina as Exhibit C to its Application. As set forth therein, Optic has cash resources to support its operations.

Q. Do you believe Optic is capable of delivering its proposed services in South Carolina?

A. Yes, in addition to having sufficient financial resources, Optic has a team of competent and experienced personnel. Optic provided its Resumes of Key Employees as Exhibit D to the Application. Through its close relationships to its underlying carriers, Optic also has access to the technical personnel necessary to provide successful and continuous telecommunications services in South Carolina.

Q. Where in South Carolina does Optic intend to offer its services and how will those services be offered?

A. Services will be offered to business and residential customers statewide.

Q. Does the Company have offices in South Carolina?

A. No. The Company does not intend to have offices in South Carolina. Accordingly, Optic requests, pursuant to Commission Rule 103-610, that the Commission authorize the Company to keep its books and records at its offices in Georgia. Optic will have a registered agent in South Carolina and will bear any costs associated with inspection of its books and records by the Commission or the South Carolina Office of Regulatory Staff ("ORS").

Commission Order No. 2001-997, dated November 8, 2001.

1 **Q. Does the Company use the Uniform System of Accounts ("USOA") to maintain its**
2 **financial books and records?**
3 A. No. Accordingly, the Company requests a waiver of Commission Rule 103-611 to the extent
4 that rule requires the use of the USOA, and requests permission to use Generally Accepted
5 Accounting Principles ("GAAP").
6
7 **Q. Will the Company comply with all applicable statutory and regulatory requirements**
8 **of the State of South Carolina and this Commission?**
9 A. Yes.
10
11 **Q. Will the Company file all applicable reports as required by the Commission?**
12 A. Yes. The Company is aware of the Commission's requirements that all
13 telecommunications carriers file a report on South Carolina operations, a gross receipts
14 report, and a universal service contribution report on an annual basis.
15
16 **Q. How will South Carolina consumers benefit from Optic's services?**
17 A. Optic's proposed services will provide alternative services of the highest quality, will
18 provide increased consumer choice in billing options, and will offer increased
19 diversification and increased reliability of communications services. Our service
20 offerings will enhance competition for telecommunications services in this state because
21 the addition of another supplier of telephone service will increase competition in terms of
22 price and quality of service for the business of telephone service consumers.

1 **Q. Does this conclude your testimony?**

2 A. Yes it does.