

BEFORE THE  
STATE OF ILLINOIS  
PUBLIC SERVICE COMMISSION

In Re: Application of )  
Phone1, Inc. )  
for Authorization to Operate as a )  
Reseller of Competitive Telecommunications )  
Services on an Interexchange Basis )

Docket No. 040580

PHONE1, INC.

("Phone1")

TESTIMONY OF JON LEATH

**OFFICIAL FILE**

I.C. DOCKET NO. 040580

App Exhibit No. 2

Witness Jon Leath

Date 10/21/04 Reporter SS

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

A. My name is Jon Leath. My business address is 100 North Biscayne Boulevard, 25<sup>th</sup> Floor, Miami, Florida 33132. My telephone number is 305-371-3300 and the facsimile number is 305-371-4686.

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

A. I am Director - Operator Services/Regulatory for Phone1, Inc.

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

A. I am Director - Operator Services/Regulatory. In this capacity I am responsible for certification and tariffing of the company and working to ensure that information is kept up to date. I am also responsible for the national sales effort regarding the operator services and direct dial services the company offers to pay telephone providers and other customers.

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

A. The purpose of my testimony is to present evidence on the financial, technical and managerial abilities of Phone1 to provide direct dial and operator assisted services to aggregator location only throughout the State of Illinois; to describe the service Phone1 proposes to offer and to discuss the proposed tariff.

**Q. Has Phone1 registered to do business in Illinois?**

A. Yes. Phone1 is a Florida corporation and has filed to be registered in Illinois as a foreign corporation. Our authority to conduct business in Illinois is attached to our application in Exhibit I.

**Q. Please explain the Company's corporate structure.**

A. Phone1, Inc. is a wholly owned subsidiary of Phone1 Globalwide, Inc., a public company.

**Q. Please describe the services Phone1 proposes to offer.**

**A. Phone1, Inc. intends to provide telecommunications service throughout the State of Illinois.**

Phone1 will provide direct dial and operator assisted services to aggregator locations, such as pay telephones, in the state of Illinois in accordance with the rules and regulations set forth by the Commission. Phone1's service will be available to the general public through public telephones owned by other entities. Phone1 will provide access to interexchange carriers certificated in Illinois via access code dialing. Service will be provided twenty-four (24) hours per day, seven (7) days a week.

**Q. Does Phone1 own any network switches or transmission facilities used in routing calls?**

**A. The company owns and maintains a switch in the states of Florida and New York.**

**Q. How will Phone1 bill for its services?**

**A. Phone1 direct dial services are accessed by having customers drop coins into a pay telephone. No billing is involved with this service. For operator services, Phone1 will utilize the billing clearinghouse of Billing Concepts as a clearinghouse so that customers will be billed through their local exchange company. Phone1's toll-free telephone number for customer inquiries and complaints is 866-674-6631. The Customer Service Department is staffed twenty-four (24) hours per day, seven (7) days per week.**

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

**A. Any billing errors, complaints or trouble reports can be directed to the company through its toll-free telephone number for customer inquiries and complaints is 866-674-6631. The Customer Service Department is staffed twenty-four (24) hours per day, seven (7) days per week.**

**Q. Describe the proposed Phone1 Illinois tariff.**

**A. Phone1 has included a proposed interexchange tariff which contains the rules, regulations and rates for Phone1's interexchange services and is attached to the Application as Exhibit IV.**

**Q. Does Phone1 provide operator services?**

**A. Yes.**

**Q. Where is Phone1 currently certificated?**

**A. Phone1, Inc. is in the beginning stage of filing applications nationwide. At this time, the Company is not yet certified in any state. Phone1 is not affiliated with any other telecommunications provider.**

**Q. Describe Phone1's financial ability to operate as a telecommunications reseller.**

**A. Phone1 has prepared as proof of its financial capability and is providing the financial statements of its parent company, Phone1GlobalWide. These statements are provided to show it has the financial resources to operate successfully as a telecommunications reseller to consumers in Illinois. The Company's parent company's financial statements are included as Exhibit III of its Application.**

**Q. Do you believe Phone1 is capable of delivering its proposed services in Illinois?**

**A. Yes, in addition to having sufficient financial resources, Phone1 has a team of experienced managers. Brief resumes of key personnel are included in the Company's Application as Exhibit II.**

**Q. Where in Illinois does Phone1 intend to offer its services and how will those services be offered?**

**A. Phone1 intends to offer its service throughout the entire State of Illinois.**

**Q. How will Illinois consumers benefit from Phone1's services?**

**A. Certification of Phone1 will increase the level of long distance competition in Illinois. Phone1 offers quality operator assisted telecommunication services at competitive prices.**

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

**A. Yes.**

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