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2 **BEFORE THE**
3 **ILLINOIS COMMERCE COMMISSION**

ILLINOIS *on 9/11*
COMMERCE COMMISSION

4
5 2009 DEC -4 A 10: 31

6 Impact Telecom, Inc.

CHIEF CLERK'S OFFICE

7 Application for a certificate of

8 Interexchange authority to operate as a reseller

Docket No. 09-0561

9 of telecommunications services throughout the

10 State of Illinois.

11
12
13 **PREFILED TESTIMONY OF ROBERT "BOB" BEATY**

14
15
16 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

17
18 **A.** My name is Robert "Bob" Beaty. My business address is; 9250 E. Costilla Avenue, Suite
19 400, Greenwood Village, CO 80112.

20
21 **Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

22
23 **A.** I am employed by Impact Telecom, Inc. as the President and Director.

24
25 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

26
27 **A.** The purpose of my testimony is to provide evidence regarding the financial, technical,
28 and managerial abilities of Impact Telecom, Inc. to provide high quality, competitively
29 priced telecommunications services in Illinois and to describe the services Impact
30 Telecom, Inc. proposes to offer.

1 **Q. PLEASE GIVE A BRIEF DESCRIPTION OF YOUR JOB RESPONSIBILITIES,**
2 **YOUR BACKGROUND AND YOUR EXPERIENCE.**

3
4 **A.** Currently I am responsible for overseeing the day to day operations of Impact Telecom,
5 Inc. I have nineteen (19) years of telecommunications experience. Prior to starting Impact
6 Telecom, Inc., I was involved in sales, marketing and development with various
7 communications firms, including ICG Communications and AT&T.

8
9 **Q. DESCRIBE THE GENERAL STRUCTURE OF THE COMPANY?**

10
11 **A.** Impact Telecom, Inc. is a Nevada Corporation originally formed as a Limited Liability
12 Company on May 27th, 2005 and converted to an "S" Corporation in March of 2009.
13 Corporate Officers include myself; serving as President and Director; Mr. Chuck Griffin
14 serving as Vice President of Retail; Mr. Jim Hart serving as Vice President of Operations
15 and Mr. Jason McKesson who serves as Vice President of Wholesale.

16
17 **Q. DESCRIBE IMPACT TELECOM, INC.s' SERVICES AND HOW THE**
18 **COMPANY INTENDS TO PROVIDE THEM.**

19
20 **A.** Impact Telecom, Inc. proposes to provide, intrastate Interexchange, as well as dedicated
21 access services including Private Lines from points of origin within the State of Illinois to
22 points of destination within the State of Illinois. Impact Telecom, Inc. also proposes to
23 operate as Wholesale Carrier to Carrier vendor. Impact Telecom, Inc. intends to market to

1 businesses only. Impact Telecom, Inc.'s services will be provided twenty-four hours a
2 day, seven days a week. Impact Telecom, Inc. is a switchless reseller and will not own or
3 operate any transmission facilities or switching equipment located in the State of Illinois.
4 Impact will utilize AT&T Communications of Illinois, Inc. as its primary underlying
5 carrier. The underlying carrier will perform all switching and transmission functions on
6 behalf of Impact Telecom, Inc. The underlying carrier will also provide the company
7 with call detail records for use in rating and billing monthly service usage. Customers
8 will receive billing for Impact Telecom, Inc. services directly from the Company. Impact
9 Telecom, Inc.s' underlying carrier will provide the transfer file containing customer call
10 detail. This information will be used to rate each call and create each month's billing
11 detail. Long distance usage will be billed in arrears.

12
13 **Q. PLEASE PROVIDE THE STATES WHERE IMPACT TELECOM, INC. HAS**
14 **RECEIVED CERTIFICATION AND THOSE STATES IN WHICH**
15 **APPLICATIONS FOR CERTIFICATION ARE PENDING.**

16
17 **A.** Impact Telecom, Inc. is currently certified to provide Competitive Local Exchange and
18 Interexchange in Colorado, and New Mexico. Interexchange (only) Authority has been
19 certified in New Jersey, New York, and Utah. Also, Impact Telecom, Inc. has
20 Applications pending in California, Connecticut, Kentucky, Massachusetts, Pennsylvania
21 and Texas. Impact Telecom, Inc. also provides wholesale carrier to carrier services in
22 jurisdictions that don't require any Authority from Public Utility Commissions.

1 **Q. HAS IMPACT TELECOM, INC. EVER BEEN DENIED CERTIFICATION BY**
2 **ANY STATE OR EVER HAD ITS CERTIFICATION REVOKED?**

3
4 **A. No.**

5
6 **Q. HOW ARE CUSTOMER QUESTIONS AND INQUIRES HANDLED?**

7
8 **A. Personnel will be available twenty-four hours a day, seven days a week to respond to**
9 **service and billing problems. Customers will be able to reach our Customer Service**
10 **Department through the use of a toll-free number. That number is 866-557-8918.**

11
12 **Q. DESCRIBE IMPACT TELECOM, INC.'S FINANCIAL ABILITY TO PROVIDE**
13 **RESALE TELECOMMUNICATIONS SERVICES.**

14
15 **A. Impact Telecom, Inc. intends to rely on its existing telecommunications business revenue**
16 **and invested capital in order to satisfy the financial requirements of the Illinois**
17 **Commerce Commission for the purposes of this application. In support of its financial**
18 **ability to provide service, Impact Telecom, Inc. offers financial statements including a**
19 **2008 Income Statement and Cash Flow, and 2009, 3rd Quarter Profit and Loss Statement**
20 **and a 2009 3rd Quarter Balance Sheet. This information is attached to the Application as**
21 **Confidential Exhibit F. With respect to Illinois, minimal capital investment is required**
22 **from Impact Telecom, Inc. for entering the Illinois market. Costs are limited to the cost**
23 **of certification and initial marketing. Additional costs incurred by Impact Telecom, Inc.**

1 for Illinois customers will be incremental per-call costs assessed by its underlying carriers
2 for switching and transporting calls. These costs will be directly recovered in the rates
3 charged to Impact Telecom, Inc.'s customers.

4
5 **Q. HOW DOES IMPACT TELECOM, INC. INTEND TO MARKET ITS SERVICES**
6 **IN ILLINOIS?**

7
8 **A.** Impact Telecom, Inc. intends to initially market its services throughout the State of
9 Illinois via our direct sales and contact center marketing plans.

10
11 **Q. ARE YOU FAMILIAR WITH THE TERM SLAMMING, AND IF SO, WHAT**
12 **WILL YOUR COMPANY DO TO PREVENT SLAMMING?**

13
14 **A.** Yes, I am familiar with the term and the meaning of slamming. Our company will take
15 all necessary measures in order to prevent slamming, including securing a signed letter of
16 authorization from all pre-subscribed customers prior to commencing service. All
17 marketing will be done in accordance with all applicable state and federal regulations.

18
19 **Q. BRIEFLY DESCRIBE IMPACT TELECOM, INC.'S TARIFF.**

20
21 **A.** Impact Telecom, Inc.'s tariff contains the rules, regulations and rates for services offered
22 by the company which fall within the Commission's jurisdiction. Impact Telecom, Inc.'s

1 proposed tariff fully describes the products offered by the company and clearly state the
2 rates associated with each product.

3
4 **Q. HOW WILL THE PEOPLE OF ILLINOIS BENEFIT FROM IMPACT**
5 **TELECOM, INC. 'S SERVICES AND PRESENCE IN ILLINOIS?**

6
7 **A.** Certification of Impact Telecom, Inc. will enhance telecommunications competition in
8 Illinois. Competition encourages technological innovation and efficient use of resources.
9 Increased competition has proven to benefit consumers by providing a wide variety of
10 services and processes from which consumers can choose. Certification of Impact
11 Telecom, Inc. will provide Illinois consumers with a wider choice of providers from
12 which to obtain their telecommunications services.

13
14 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

15
16 **A.** Yes.

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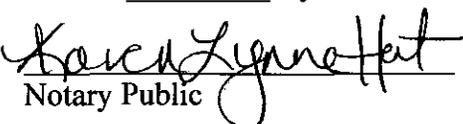
1 STATE OF COLORADO)
2)
3 COUNTY OF ARAPAHO)
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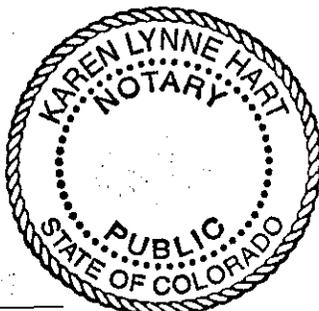
6 **AFFIDAVIT**

7
8 I, Robert "Bob" Beaty, being duly sworn upon his oath, depose and so hereby state that I am the
9 President and Director of Impact Telecom, Inc., the Applicant, and that I have read the foregoing
10 testimony by me and know the contents thereof, which testimony was filed in support of Impact
11 Telecom, Inc.'s Application for Authority to Operate as a reseller of Interexchange
12 Telecommunications in the State of Illinois; that said contents are true in substance and in fact,
13 except as to matters stated upon information and belief, and as to those, I believe the same to be
14 true.

15
16 
17 Robert "Bob" Beaty
18 President and Director
19

20
21 Sworn to and subscribed before me
22 On this 30th day of November, 2009.

23
24 
25 Notary Public



26
27 My Commission Expires: 7-22-10

28 My Commission Expires 07/22/2010