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BEFORE THE
ILLINOIS COMMERCE COMMISSION

IN THE MATTER OF:)
)
NTC NETWORK, LLC)
) No. 01 -0196
Application for a certificate of)
local and interexchange authority to)
operate as a reseller of)
telecommunications services throughout)
the State of Illinois.)
)

Chicago, Illinois
April 11, 2001

Met, pursuant to notice.

BEFORE:

Ms. Claudia Sainsot, Administrative Law Judge.

APPEARANCES:

MR. LANCE STEINHART
6455 East Johns Crossing
Suite 285, Duluth, Georgia 30097
for the applicant;

MS. BARB LANKFORD and
MS. KAREN BUCKLEY
527 East Capitol Avenue
Springfield, Illinois
for staff.

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FRANCISCO E. CASTANEDA, CSR,
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I N D E X

Witnesses:	Direct	Cross	Re - direct	Re- cross	By Examiner
Willy Ma	7	9,17			18

E X H I B I T S

APPLICANT'S	For Identification	In Evidence
	NONE.	

1 JUDGE SAINSON: By the authority vested in me by
2 the Illinois Commerce Commission, I now call Docket
3 No. 010196, NTC Networks, LLC. It is an
4 application for a certificate of local and
5 interexchange authority to operate as a reseller
6 and facilities-based carrier telecommunications
7 services throughout the State of Illinois.

8 Will the parties identify themselves for
9 the record, please.

10 MR. STEINHART: Yes. This is Lance Steinhart,
11 attorney for the applicant. Address is 6455 East
12 Johns Crossing, Suite 285, Duluth, Georgia 30097.
13 Telephone number (770) 232-9200.

14 MR. STEINHART: Could you hold on just one
15 second, Mr. Steinhart?

16 MR. STEINHART: Yes.

17 (Whereupon, a discussion
18 was had off the record.)

19 JUDGE SAINSON: We can continue.

20 MR. STEINHART: Can I just clarify one thing?

21 JUDGE SAINSON: Sure.

22 MR. STEINHART: I notice when you read off the

1 caption at the beginning of this, it was for
2 reseller and facilities-based provider. Is that
3 correct?

4 JUDGE SAINSOT: Right. It's for all three.

5 MR. STEINHART: Okay. Yeah, because the
6 acknowledgment of receipt sent by the Commission
7 says reseller; and the hearing notice actually says
8 reseller. So I just wanted to make sure that the
9 order, when it's issued, is reseller and
10 facilities-based.

11 JUDGE SAINSOT: Yeah, the notice would have been
12 from the clerk's office.

13 MR. STEINHART: Yeah. That says reseller .

14 JUDGE SAINSOT: Right.

15 MR. STEINHART: As does the application
16 acknowledgment.

17 It was stated correctly by you. I just
18 want to make sure that --

19 JUDGE SAINSOT: Right. That we're not just
20 doing reseller. No, I understand.

21 MR. STEINHART: Correct.

22 JUDGE SAINSOT: I wouldn't pay too much

1 attention to what the clerk's office does because
2 they make mistakes all the time.

3 MR. STEINHART: Okay.

4 JUDGE SAINSOT: And I mean -- I don't mean to be
5 frivolous about it; but I certainly treated this --
6 you've got nothing to worry about.

7 MR. STEINHART: Okay. Thank you.

8 JUDGE SAINSOT: Okay.

9 Staff, do you want to identify
10 yourselves for the for the record, please.

11 MS. LANKFORD: Barb Lankford, consumer services
12 division, Illinois Commerce Commission, 527 East
13 Capitol, Springfield, Illinois.

14 MS. BUCKLEY: Karen Buckley, department of
15 telecommunications division, 527 East Capitol
16 Avenue, Springfield, Illinois.

17 JUDGE SAINSOT: Okay. Mr. Steinhart, are you
18 tendering a witness or tendering testimony?

19 MR. STEINHART: Yes, I have a witness.

20 MR. WILLY MA: This is Willy Ma, president of
21 NTC Network, LLC, 33 West Fifth Street, 56th Floor.

22 JUDGE SAINSOT: Could you spell your name,

1 Mr. Ma, please.

2 MR. WILLY MA: W-i-l-l-y, M-a, is the last name.

3 JUDGE SAINSOT: Thank you, Mr. Ma.

4 Mr. Steinhart, are you going to use him
5 to -- well, you don't really have prefiled
6 testimony, but you have the standard questions for
7 locals and that sort of thing?

8 MR. STEINHART: I was going to have him adopt
9 that as his testimony and then turn him over to be
10 cross-examined by staff.

11 JUDGE SAINSOT: Okay.

12 WILLY MA,
13 having been called as a witness herein, after
14 having been first duly sworn, was examined and
15 testified as follows:

16 DIRECT EXAMINATION

17 BY

18 MR. STEINHART:

19 Q. Mr. Ma, could you please state your name
20 and title for the record, please.

21 A. Yes. It's Willy Ma, and I'm the president
22 of NTC Network.

1 Q. Thank you. And, Mr. Ma, are you familiar
2 with the application and the exhibits attached
3 thereto that were filed in this docket?

4 A. Yes, I am.

5 Q. And is the information contained therein
6 true and correct in all material respects to the
7 best of your knowledge?

8 A. Yes.

9 Q. And at this time, would you like to adopt
10 the application and the exhibits thereto as your
11 testimony?

12 A. Yes, I do.

13 MR. STEINHART: Thank you very much.

14 I have no direct examination at this
15 point and would turn Mr. Ma over for
16 cross-examination by staff.

17 JUDGE SAINSOT: You can proceed, staff.

18 MS. LANKFORD: This is Barb Lankford, and I have
19 few questions.

20 JUDGE SAINSOT: You know what, I forgot to swear
21 him in, so let's just stop for a second and -- the
22 court reporter reminded me.

1 Mr. Ma, do you swear to tell the truth,
2 the whole truth and nothing by the truth so help
3 you God?

4 MR. WILLY MA: I do.

5 JUDGE SAINSOT: Okay. And all the -- your
6 previous testimony that you just made, those were
7 under oath as well? Those are true and correct
8 under oath as well.

9 MR. WILLY MA: Yes.

10 JUDGE SAINSOT: Okay. You can proceed.

11 MS. LANKFORD: Okay. This is Barb Lankford and
12 I have a few questions here for clarification that
13 I need.

14 CROSS-EXAMINATION

15 BY

16 MS. LANKFORD:

17 Q. Are you currently providing service in any
18 other state other than California?

19 A. Not at this time.

20 Q. Do you have any other pending applications
21 in other states?

22 A. Yes, we do.

1 Q. How many; do you know?

2 A. I think Mr. Steinhart is working on that on
3 our behalf, so I would have to refer that question
4 to him.

5 Q. Okay. I was just curious if you had, you
6 know, some applications pending in other states
7 also.

8 MR. STEINHART: Yes. Could I interject here for
9 a second?

10 MS. LANKFORD: Yes.

11 MR. STEINHART: Okay. They have initially filed
12 applications in Oregon, Washington, Arizona,
13 Georgia, Nevada, Colorado, Texas and Illinois, and
14 about half of which have been granted at this point
15 in time.

16 MS. LANKFORD: Okay.

17 BY MS. LANKFORD:

18 Q. And on No. 15 of the application, you refer
19 to Cross Net Communications.

20 Who is Cross Net Communications? How
21 are they affiliated?

22 A. Cross Net Communication is the manager of

1 NTC Network, LLC.

2 Q. Okay.

3 A. We have several members, so Cross Net is
4 the manager for that particular limited liability
5 company.

6 Q. So is that like a -- can I say a sister
7 company to your company or are they just a parent
8 company or what?

9 A. It is strictly a member of that particular
10 limited liability company, and Cross Net is
11 appointed as the manager for that particular LLC.

12 Q. Okay.

13 A. So I don't know if that answers your
14 question.

15 Q. Yeah, I think so.

16 What are your business hours?

17 A. Our business hours are 8:00 to 5:00.

18 Q. Okay. And what about customer service?

19 A. Customer service is on a 24-hour basis.

20 Q. Okay. How do you plan to solicit your
21 customers?

22 A. We, through Web base, we have a Web site

1 and direct marketing.

2 Q. What kind of direct marketing? I mean, are
3 we talking about telemarketing, advertising? What
4 type of. . .

5 A. We do talk to different carriers, person to
6 person, and sometimes we do have telephonic
7 marketing as well.

8 Q. Okay. Will these telemarketers be
9 employees of your company or will they be, like,
10 contracted employees to do your telemarketing for
11 your company?

12 A. We actually do it ourselves for the time
13 being; and then later down the road, we may have to
14 hire outside contractors to do that for us.

15 Q. Okay. And do you require -- let me ask you
16 first: Are you planning on providing voice-grade
17 service?

18 A. Down the road, yes, we do plan to do that.

19 Q. Okay. Will you have letters of authority
20 or third-party verifiers before you change a
21 customer's service.

22 A. We would do that, yes.

1 Q. Okay. And No. 27 on the application, you
2 state under services provided use of debit card.

3 Is this some type of a prepaid card for
4 long-distance or what exactly is a debit card?

5 JUDGE SAINSOT: Are you talking about No. 27 on
6 the application?

7 MS. LANKFORD: Application, uh-huh.

8 JUDGE SAINSOT: So that would be the last
9 question or so; wouldn't it?

10 MR. STEINHART: I can clarify -- I can give that
11 answer, if I'm allowed to, since I didn't prepare
12 the application.

13 JUDGE SAINSOT: Go ahead, Mr. Steinhart.

14 MR. STEINHART: The debit card would be a
15 prepaid calling card for long-distance services,
16 not any kind of prepaid local product.

17 MS. LANKFORD: Okay. That's what I was trying
18 to find out. Okay. For long-distance only?

19 MR. STEINHART: Yes.

20 MS. LANKFORD: Okay.

21 BY MS. LANKFORD:

22 Q. And turning to Appendix A, Question 5, do

1 you state that you will provide your own customer
2 repair services.

3 Does this mean that you will contract
4 with independent contractors or would this be your
5 own employees?

6 A. It would be both.

7 Q. Okay.

8 A. Depends on the complexity of the repair.

9 Q. All right. And in Question 6, you state
10 that you have no employees. You now have other
11 employees?

12 A. We do have one particular employee who's a
13 technician that will do minor repairs at this time.

14 Q. Do you plan to hire more people once you
15 start providing service in other states?

16 A. We plan to do that, and I think that,
17 again, it depends on the complexity of it; and we
18 would prefer to hire independent contractors to
19 help us on that.

20 Q. Are you providing service in California at
21 the present time?

22 A. Yes, we are.

1 Q. About how many customers do you have?

2 A. We have about three customers at this time.

3 Q. Okay. And in Question 13 in Appendix A, do
4 you understand that if you become a
5 facilities-based carrier that you must make
6 modifications to your billing system to distinguish
7 between resale and facilities-based services in
8 regard to the collection of the ITEC line charges?

9 A. Yes.

10 Q. And in Question 15, you state that you may
11 solicit customers by using telesales as an internal
12 method.

13 I just want to clarify, to prevent
14 slamming and cramming, that you are going to use
15 third-party verifiers or letters of authority.

16 A. Yes.

17 JUDGE SAINSOT: So your testimony is, Mr. Ma,
18 that when you're using -- when you're doing
19 telesales, you will have a letter of authority or a
20 third-party verifier?

21 MR. WILLY MA: Yes, we would do that.

22 JUDGE SAINSOT: Okay.

1

2 BY MS. LANKFORD:

3 Q. Who would the Consumer Services Division of
4 the Illinois Commerce Commission contact for
5 complaint resolution?

6 A. I'm sorry, could you repeat that question.

7 Q. Who would the Consumer Services Division of
8 the Illinois Commerce Commission contract if there
9 was a complaint against your company? Would that
10 be you or someone else?

11 A. It would be myself and Eric Bender, which
12 is the vice president.

13 Q. Okay. And I want to verify the phone
14 number and the fax number of -- if there was a
15 complaint, where a complaint can be faxed or where
16 you could be reached.

17 A. Okay. Our number is (213) 213-8600.

18 Q. Okay.

19 A. And the fax number is (213) 213-, again,
20 8601.

21 MS. LANKFORD: Okay. I believe that's all the
22 questions I have. Thank you.

1 THE WITNESS: Thank you.

2 CROSS -EXAMINATION

3 BY

4 MS. BUCKLEY:

5 Q. This is Karen Buckley. I am looking at
6 your financial statement dated on November 2000.

7 Mr. Ma, do you know if there's any
8 material changes from that day?

9 A. No.

10 Q. Okay. You have asked that your books to be
11 kept in a GAP type of format instead of uniformed
12 utility account, but you also request that the
13 records to be kept in California.

14 A. That's correct.

15 Q. Is the records going to be located at your
16 office at 633 West Fifth Street on the 56th Floor,
17 or is it going to be located at your manager's
18 office?

19 A. It's going to be located at this address
20 633 West Fifth Street, 56th Floor.

21 Q. I have a 911 question.

22 How frequent will your company update

1 the 911 database with customer information?

2 A. On a regular basis, on a daily basis.

3 MS. BUCKLEY: Okay. That's all the questions I
4 have.

5 JUDGE SAINSOT: I just have one.

6 EXAMINATION

7 BY

8 JUDGE SAINSOT:

9 Q. Mr. Ma, you wish to keep your books and
10 records in California; is that correct?

11 A. That's correct.

12 Q. You realize that by petitioning to do so
13 that it could be possible that you would have to
14 pay for staff come out and audit your books or to
15 examine them at any rate?

16 A. I understand that.

17 JUDGE SAINSOT: Okay. Does staff have any
18 recommendations at this time?

19 MS. LANKFORD: I see no reason why this company
20 cannot be certified. This is Barb Lankford.

21 MS. BUCKLEY: I feel the same. This is Karen
22 Buckley.

1 JUDGE SAINCOT: Okay. Thank you very much.

2 The record will be marked heard and
3 taken. Have a good day, everyone.

4 HEARD AND TAKEN

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