

DLETON REUTLINGER

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November 16, 2001

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PUBLIC SERVICE

COMMISSION

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Mr. Thomas N. Dorman Executive Director Kentucky Public Service Commission 611 Sower Boulevard P.O. Box 615 Frankfort, Kentucky 40601

Application of Momentum Business Solutions Inc. to Provide Intrastate RE: Interexchange, Local Exchange, and Exchange Access **Telecommunications Services in Kentucky**

Dear Mr. Dorman:

Momentum Business Solutions Inc. ("Momentum") submits this application and four copies thereof to the Public Service Commission of Kentucky ("Commission") to provide intrastate interexchange, local exchange, and exchange access telecommunications services within the Commonwealth of Kentucky. One additional copy is enclosed. Please file stamp this copy and return it to me in the enclosed envelope.

In support of its application, Momentum states as follows:

- 1. Momentum is a corporation organized and existing under the laws of the State of Delaware and has applied for and received authority to transact business in the Commonwealth of Kentucky. Copies of Momentum's Charter, Certificate of Existence, and Certificate of Authority are attached hereto as Exhibit A.
- 2. Momentum's legal name, address, and principal business office are:

Momentum Business Solutions, Inc. 2090 Columbiana Road, Suite 3000 Birmingham, AL 35216



3. Momentum's attorneys in this proceeding are:

C. Kent Hatfield MIDDLETON REUTLINGER 2500 Brown & Williamson Tower Louisville, Kentucky 40202 (502) 584-1135

- 4. Momentum seeks to provide a full range of telecommunication services, including, but not limited to, various resold and facilities-based local exchange, interexchange and exchange access telecommunications services throughout the Commonwealth of Kentucky. A more detailed description of Momentum's initial services is attached hereto as Exhibit B. A copy of Momentum's initial tariffs for both local exchange service and intrastate switched and special access service are attached hereto as Exhibits C and D, respectively.
- 5. Momentum is currently certificated to provide intrastate telecommunications services in the States of Alabama, Tennessee, Georgia and Mississippi. Momentum is in the process of obtaining authority in the States of South Carolina, North Carolina, and Louisiana.
- 6. Momentum's management team has the extensive business experience needed in order to manage and execute the business plans described herein in a prompt and reasonable manner. Attached hereto as Exhibit E is a brief description of the experience and qualifications of Momentum's key management personnel.
- 7. Momentum submits (1) that it possesses the technical, financial, and managerial resources sufficient to provide the services requested; (2) service to be provided will meet the standards that the Commission may adopt; (3) provision of the service will not adversely impact the availability of affordable local exchange service: (4) Momentum, to the extent it may be required to do so by the Commission, will participate in the support of universally available telephone service at affordable rates; and (5) provision of the service does not otherwise adversely impact the public interest.
- 8. Momentum's Regulatory Contact is as follows:

Ms. Peggy D. McKay Director, Product Management Momentum Business Solutions, Inc. 2090 Columbiana Road, Suite 3000 Birmingham, AL 35216 Telephone No.: (205) 978-4410 Fax No.: (205) 978-4401 e-mail: pmckay@momentumbusiness.com



- 9. Attached hereto as Exhibit F is a notarized statement of an officer of Momentum that it has not provided or collected for intrastate service in Kentucky prior to the instant filing.
- 10. Momentum will comply with the Commission's mandates in Administrative Case No. 330 with respect to the provision of operator-assisted service to traffic aggregators.

WHEREFORE, Momentum submits this application to provide competitive local exchange, interexchange, and exchange access telecommunications services within the Commonwealth of Kentucky. Momentum requests that the Commission grant Momentum such other and further relief as is just and proper.

Respectfully submitted,

- Heil

C. Kent Hatfield MIDDLETON REUTLINGER 2500 Brown & Williamson Tower Louisville, Kentucky 40202 (502)584-1135

Counsel for Momentum Business Solutions, Inc.

This 16th day of November, 2001.

EXHIBIT A

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Momentum's Charter Certificate of Existence Certificate of Authority

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State of Delaware

Office of the Secretary of State

PAGE 1

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "MOMENTUM BUSINESS SOLUTIONS, INC." IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE THIRD DAY OF AUGUST, A.D. 2001.

AND I DO HEREBY FURTHER CERTIFY THAT THE SAID "MOMENTUM BUSINESS SOLUTIONS, INC. " WAS INCORPORATED ON THE TWENTIETH DAY OF APRIL, A.D. 2000.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL REPORTS HAVE BEEN FILED TO DATE.

AND I DO HEREBY FURTHER CERTIFY THAT THE FRANCHISE TAXES HAVE BEEN PAID TO DATE.



Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 1278440

DATE: 08-03-01

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State of Delaware Office of the Secretary of State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE RESTATED CERTIFICATE OF "MOMENTUM BUSINESS SOLUTIONS, INC.", FILED IN THIS OFFICE ON THE SIXTEENTH DAY OF APRIL, A.D. 2001, AT 8:30 O'CLOCK A.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.



Harriet Smith Windsor, Secretary of State AUTHENTICATION: 1080714

DATE: 04-16-01

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AMENDED AND RESTATED CERTIFICATE OF INCORPORATION OF MOMENTUM BUSINESS SOLUTIONS, INC.

It is hereby certified that:

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1. The present name of the corporation (hereinafter called the "Corporation") is Momentum Business Solutions, Inc., which is the name under which the Corporation was originally incorporated; and the date of filing the original Certificate of Incorporation of the Corporation with the Secretary of State of the State of Delaware is April 20, 2000.

2. This Amended and Restated Certificate of Incorporation has been duly approved by the Board of Directors of this Corporation, and has been duly adopted in accordance with the provisions of Sections 228, 242 and 245 of the General Corporation Law of the State of Delaware by the Board of Directors and the stockholders of the Corporation. The total number of outstanding shares entitled to vote or act by written consent was 161,750 shares of Common Stock. A majority of the outstanding shares of Common Stock approved this Amended and Restated Certificate of Incorporation by written consent in accordance with Section 228 of the General Corporation Law of the State of Delaware, and written notice of such was given by the Corporation in accordance with said Section 228.

3. The Certificate of Incorporation of the Corporation is hereby amended and restated to read as follows:

I.

The name of the Corporation is Momentum Business Solutions, Inc.

II.

The address of the registered office of the Corporation in the State of Delaware is The Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801, City of Wilmington, County of New Castle, and the name of the registered agent of the Corporation in the State of Delaware at such address is The Corporation Trust Company.

III.

The purpose of this Corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of the State of Delaware.

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STATE OF DELAWARE SECRETARY OF STATE DIVISION OF CORPORATIONS FILED 08:30 AM 04/16/2001 010180633 - 3216570 IV.

A. This Corporation is authorized to issue one class of stock to be designated "Common Stock." The total number of shares which the Corporation is authorized to issue is five hundred thousand (500,000), all of which shares shall be Common Stock, each having a par value of No and 10/100 Dollars (\$0.10).

B. The number of authorized shares of Common Stock may be increased or decreased (but not below the number of shares of Common Stock then outstanding) by the affirmative vote of the holders of a majority of the stock of the Corporation.

1. Voting Rights.

a. General Rights. Holders of Common Stock shall have one vote per share, except as otherwise provided herein or as required by law.

b. Election of Board of Directors. The election of the Board of Directors shall be conducted in the manner set forth in the Bylaws.

2. No Preemptive Rights. Stockholders shall have no preemptive rights except as granted by the Corporation pursuant to written agreements.

v.

A. A director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for any breach of fiduciary duty as a director, except for liability (1) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (2) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (3) under Section 174 of the Delaware General Corporation Law, or (4) for any transaction from which the director derived an improper personal benefit. If the Delaware General Corporation Law is amended after approval by the stockholders of this Article to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director shall be eliminated or limited to the fullest extent permitted by the Delaware General Corporation Law, as so amended.

B. Any repeal or modification of this Article IV shall only be prospective and shall not effect the rights under this Article IV in effect at the time of the alleged occurrence of any action or omission to act giving rise to liability.

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VI.

For the management of the business and for the conduct of the affairs of the Corporation, and in further definition, limitation and regulation of the powers of the Corporation of its directors and of its stockholders or any class thereof, as the case may be, it is further provided that:

A. The management of the business and the conduct of the affairs of the Corporation shall be vested in its Board of Directors. The number of directors which shall constitute the whole Board of Directors shall be fixed by the Board of Directors in the manner provided in the Bylaws.

B. The Board of Directors may from time to time make, amend, supplement or repeal the Bylaws; provided, however, that the stockholders may change or repeal any Bylaw adopted by the Board of Directors by the affirmative vote of the holders of a majority of the voting power of all of the then outstanding shares of the capital stock of the Corporation; and, provided further, that no amendment or supplement to the Bylaws adopted by the Board of Directors shall vary or conflict with any amendment or supplement thus adopted by the stockholders.

C. The directors of the Corporation need not be elected by written ballot unless the Bylaws so provide.

IN WITNESS WHEREOF, Momentum Business Solutions, Inc. has caused this Amended and Restated Certificate of Incorporation to be signed by the President and the Secretary in Birmingham, Alabama, as of the 19th day of March, 2001.

MOMENTUM BUSINESS SOLUTIONS, INC.

By:

Alan L. Creighton Its President and Chief Executive Officer

Attest Secretary

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EXHIBIT B Proposed Services

Momentum Business Solutions, Inc. intends to offer resold intrastate interexchange services, switched and special access services, and local exchange service through the use of the Unbundled Network Element – Platform offered by BellSouth. Momentum will offer a broad range of products and services that will be developed on an ongoing basis. These will initially focus on the 1-10 line market, with heavy emphasis on POTS services and vertical features, as well as long distance service provided on a resale basis by Momentum's designated long distance carrier.

Momentum anticipates that about 95% of its target market will utilize about 10% of its local services exclusively, with additional special application services being provided on an as-needed basis. Customers will also be able to change their existing pre-subscribed interexchange carrier for both intraLATA and interLATA long distance to Momentum's own long distance service, provisioned via a sub-PIC provided by Momentum's designated long distance carrier.

Since the majority of Momentum's customer base will initially be derived from ILEC and CLEC customers, Momentum will offer to switch their existing service to Momentum Business Solutions, Inc. "as specified". This will be done by utilizing the UNE-P contract to provision any loop/port combinations that apply to the existing end-user service, and offering those existing services not available on the UNE-P agreement via resale. Momentum will not require customers to purchase Customer Premises Equipment, which cannot be used with the Incumbent Local Exchange Carrier's systems.

Momentum may also develop proprietary feature packages, usage plans and volume and term agreements. These services will emulate existing BellSouth products and services but provide greater value through discounts, greater variety of product offerings, consolidated billing and superior customer service.

All orders will be processed via BellSouth-approved OSS interfaces utilizing desktop programs and database systems that will provide proprietary front-ends for Momentum service representatives, customer care, and sales and marketing departments. This will allow Momentum's sales and marketing organization the ability to interface with BellSouth's CRIS, TAG, RSAG, PSOMS and other databases to retrieve pre-sales customer information after Momentum has obtained approval via an authorized LOA from the end user. This information will then be used to develop pricing and discounts. Once the customer accepts Momentum's service, the Ordering and Provisioning department will input orders via a BellSouth-complaint interface that conforms to LOE, OBF, EDI and any other standards necessary to complete an error-free electronic order.

Momentum will also develop a relationship with local CPE vendors and electrical contractors in each MSA to provide inside wire, equipment and maintenance to Momentum's end users. This will allow Momentum Business Solutions, Inc. to offer true one-stop shopping for its end users' telecommunications needs.

EXHIBIT C

Momentum Business Solutions, Inc. Tariff for the State of Kentucky Local Exchange Telecommunications Services

EXHIBIT D

Momentum Business Solutions, Inc. Tariff for the State of Kentucky Intrastate Switched and Special Access Services

EXHIBIT E

Momentum Business Solutions, Inc. Management Biographies

Alan L. Creighton President and CEO

Mr. Creighton graduated from the University of Alabama in 1985 with a Bachelor of Science Degree in Finance with a Minor in Computer Science.

Mr. Creighton joined BellSouth Advanced Systems after graduating from the University of Alabama. BellSouth employed Mr. Creighton as a large business Account Executive until 1988. During his time spent with BellSouth, he consistently achieved objectives and won the "Presidential Circle of Excellence Award". Mr. Creighton later joined NuCel, Inc. a wireless telecommunications company as Director of Marketing. NuCel built entire cellular systems for independent owners of MSA's. From 1989 through 1999, he helped create and build significant businesses (in terms of members, revenues and valuations) in the managed care business. As part of that, Mr. Creighton served in several senior management positions including Vice President, Development, Regional Vice President and President.

Jack M. Salyer Senior Vice President, Sales and Marketing

Mr. Salyer graduated from the University of Georgia in 1988 and holds a Bachelor of Science Degree in Risk Management and Insurance.

Mr. Salyer began his professional career in 1989 with Alnet Communications, a long distance telecommunications company (now part of Global Crossing). During his three years at Alnet, Mr. Salyer held various sales and sales manager positions. His production consistently ranked in the top 10% within the company. He was responsible for selling a wide range of telecommunications products, including voice, data, and dedicated services. From 1992 to 1999, prior to forming Momentum Business Solutions, L.L.C., Mr. Salyer ran the sales organizations for three managed care organizations (Complete Health, Triton Health Systems, and Momentum Health Services). Mr. Salyer was a founding shareholder and officer of both Triton Health Systems and Momentum Health Services, and his sales team significantly surpassed all production projections and guotas.

Todd Fowler Vice President, Operations

Mr. Fowler graduated from the University of Alabama-Birmingham in 1985 and holds a Bachelor of Science Degree in Marketing. Mr. Fowler began his career at BellSouth Telecommunications, Inc. as Product Manager for CPE. Mr. Fowler quickly took on new responsibilities as Staff Manager responsible for the Billing and Collections product for Interexchange Carriers. Later, Mr. Fowler helped create Federal TransTel managing Billing and Collection contracts with Regional Bell Operating Companies. Mr. Fowler was recruited by Business Telecom, Inc. as Director – Customer Care Services in charge of National Call Center, National Trouble Dispatch Center, Field Support Services, Enhanced Communications Services, and Field Dispatch Operations.

Dennis E. Lipford Vice President, Finance

Mr. Lipford graduated from Auburn University in 1989 with a Bachelor of Science Degree in Accounting. He joined Ernst & Young after graduating. Ernst & Young employed Mr. Lipford as an auditor until 1992. At that time, Mr. Lipford joined United healthcare, most recently in a senior management position as Vice President, Contracting and Government Programs.

Dr. Hiliare Bruno deSa Director, Information Technologies

Dr. deSa holds a MB, BS, and Masters Degree in Medical Sciences and is currently certified as a Microsoft Certified Trainer, Certified Technical Trainer, Microsoft Certified Systems Engineer, Microsoft Certified Professional and Internet and Certified Novell Engineer. He began his career as a physician in internal medicine, but Dr. deSa moved into information technologies achieving many certifications as described above and has a wide range of experience, ranging from ISP management, network administration, and database application development. Most recently, Dr. deSa was with BellSouth Telecommunications and EDS working as Project Management, managing 450 NT and Novell servers and 20,000 work stations in a nine state region.

Peggy D. McKay Director, Product Management

Ms. McKay graduated from the University of Alabama in Birmingham with a Bachelor of Science Degree in Business Administration. Ms. McKay has 35 years experience in the telecommunication industry, including positions at AT&T and BellSouth. Ms. McKay retired from BellSouth effective May 31, 2000.

Ms. McKay's career began as a Long Distance Operator in 1967 and held positions including Service Representative, Communications Consultant, Systems Designer, Manager and Director. Ms. McKay spent much of her career in the "line" business and has had experience working in customer ordering, billing, CPE sales, bid response sales technical support and Interconnection.

Ms. McKay joined the BellSouth Interconnection Sales team as Director in 1997, which supported the Competitive Local Exchange Carriers (CLECs). She managed the Complex Resale Support Group, which received and processed complex resale orders from CLECs. She then managed a team responsible for supporting the CLECs, which included subject matter experts in the areas of operational support system (OSS) interfaces, local interconnection trunking, billing, local number portability, unbundled network elements, and collocation.

After retiring, Ms. McKay was contracted by BellSouth to develop and deliver training to CLECs on subjects, to include collocation, unbundled network elements, LENS, and switched port loop combinations.

EXHIBIT F

Notarized Statement of Momentum Business Solutions, Inc.

STATEMENT AND NOTARY

State of Alabama)) ss. County of Jefferson)

I, Alan L. Creighton, by my signature below, do hereby affirm that Momentum Business Solutions, Inc. has not provided and/or collected for intrastate services in the State of Kentucky and will not do so until approved by the Kentucky Public Service Commission.

J. Cuight

Alan L. Creighton President and CEO Momentum Business Solutions, Inc.

Sworn and subscribed before me, the undersigned authority in and for the said jurisdiction above, the within name Alan L. Creighton, this 14th day of November 2001.

Patricia N. Dublis Notary Public

My Commission Expires: $\frac{2}{3}2002$