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56 MM

March 19, 2008

By Hand Delivery

Marlene Dortch, Secretary Federal Communications Commission 445 12th Street, S.W. Washington, D.C. 20554

Re: Section 63.71 Application of Capital Telecommunications, Inc. and Starvox Communications, Inc.

080000-07

Dear Ms. Dortch:

On behalf of Capital Telecommunications, Inc. and Starvox Communications, Inc. ("Applicants"), transmitted herewith are an original and six (6) copies of the above-referenced application. Applicants respectfully request that the Commission issue a Public Notice regarding this application as soon as possible. Please date-stamp the copy of this filing and return in the envelope provided. Should you have any questions, contact the undersigned at (202) 342-8552.

Respectfully submitted,

Melissa S. Conway

Enclosures

cc: Service List Rodney McDonald, Wireline Competition Bureau David Krech, International Bureau

> DOCUMENT NUMBER-DATE 02195 MAR 25 8

DC01/CONWM/331325.1

FPSC-COMMISSION CLERK

Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

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In the Matter of) Section 63.17 Application of) Capital Telecommunications, Inc. and Starvox Communications, Inc.

SECTION 63.71 APPLICATION

Starvox Communications, Inc. ("Starvox") and its wholly-owned subsidiary,

Capital Telecommunications, Inc. ("CTI," and together with Starvox, "Applicants"),

hereby request authority pursuant to Section 214(a) of the Communications Act of 1934,

as amended, 47 U.S.C. §214 (the "Act"), and Section 63.71 of the Commission's Rules,

47 CFR § 63.71, to discontinue their provision of domestic telecommunications services¹

in all states where the Applicants provide telecommunications services.² Although

Applicants did not anticipate the need to file this application,³ Applicants simply do not

have funding at this time sufficient to maintain the provisioning of service to their

customers.

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FPSC-COMMISSION CLERK

¹ Applicants also are discontinuing international services pursuant to Section 63.19 of the Commission's Rules, 47 CFR §63.19, and are serving a copy of this application and customer notification letter to the International Bureau.

Starvox provides service in the following states: California, D.C., Florida, Georgia, Illinois, Indiana, Massachusetts, Michigan, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Texas, Utah, Virginia and Washington. CTI provides service in the following states: Connecticut, Delaware, Maryland, Massachusetts, New Jersey, New York, Pennsylvania and Texas. Applicants are discontinuing international services in all of these states as well.

³ Indeed, pursuant to a purchase agreement, the Applicants filed for authority to transfer their assets and customers to a newly-formed company, bComm, Inc. ("bComm"), so that their customers would continue to receive the same services, rates, terms and conditions in a seamless manner from bComm. However, bComm decided to terminate the purchase agreement; thus, the Applicants have filed a request to withdraw their transfer applications.

It is likely that the Applicants will shortly be filing for Chapter 7 bankruptcy and liquidation and will have to discontinue service in the very near future. Currently, the Applicants' carrier suppliers are threatening to discontinue service to Starvox and CTI, and if that occurs, customers of the Applicants may experience unintended service outages. The Applicants mailed notices to their customers on February 12, 2008 informing them that they would no longer be the local or long distance telephone, internet or data service provider for those customers. Although these customers will not be transferred to bComm, they have adequate alternative services available to them from competitive local exchange, interexchange and incumbent service providers.

Applicants provide the following information pursuant to Section 63.71 of the Commission's Rules:

1. <u>Name and Address of the Carrier</u>: Capital Telecommunications, Inc. is a direct, wholly owned subsidiary of Starvox Communications, Inc. Starvox is located at 2728 Orchard Parkway, San Jose, California 95134. CTI is located at 200 West Market Street, York, Pennsylvania 17401.

2. Date of Planned Service Discontinuance, Reduction or

Impairment: The Applicants plan to discontinue service to customers as soon as Commission approval is obtained. Applicants understand that this application will be automatically granted on the 31st day after public notice of filing unless the Commission notifies the Applicants to the contrary.

3. <u>Points of Geographic Areas of Service Affected</u>: Applicants will discontinue the provision of service to all of their customers in the states listed in footnote 1 above.

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4. <u>Brief Description of Type of Service Affected</u>: Starvox is a nondominant carrier authorized to provide switched and dedicated intrastate, interstate, and international long distance message toll telecommunications services to business, enterprise (multi-location businesses), and carrier customers on a retail and wholesale basis. Starvox provides retail long distance services to customers located in the states listed in footnote 1 above. Starvox provides international services pursuant to its Section 214 authorization.⁴ CTI is a non-dominant carrier authorized to provide traditional local, long distance and data services primarily to small and medium-sized businesses to customers located in the states listed in footnote 1 above. CTI provides international services pursuant to its Section 214 authorization.⁵

5. <u>Brief Description of the Dates and Methods of Notice to All</u>

<u>Affected Customers</u>: Applicants provided customers written notice by letter dated February 12, 2008 of the potential discontinuance. Applicants updated their customers regarding the discontinuance by letter dated March 17, 2008. The notices were sent by U.S. mail, postage prepaid. Copies of the notices are appended hereto as *Exhibit A*.

6. <u>Whether the Carrier is Considered Dominant or Non-dominant</u> with Respect to the Service to be Discontinued, Reduced or Impaired: Applicants are considered non-dominant carriers with respect to the affected services.

⁴ See Section 214 license to provide global resale and facilities-based international service granted by the Commission in File No. ITC-214-20050407-00146. See Public Notice, DA No. 05-129, Rep. No. TEL-00907 (rel. May 5, 2005, grant effective April 29, 2005).

⁵ See Section 214 license to provide global resale international service granted by the Commission in File No. ITC-214-19920520-00115 (Old File No. ITC-92-169). See Order, Authorization and Certificate DA 92-984 (adopted July 22, 1992, rel. August 7, 1992).

In accordance with Section 63.71 of the Commission's Rules, a copy of this Application is being mailed to the Governors and public services commissions of the states listed above, and to the Special Assistant for Telecommunications for the Secretary of Defense, concurrently with the filing of this application.

Additional questions regarding this application may be addressed to the undersigned or to Melissa Conway, KELLEY DRYE & WARREN LLP, 3050 K Street, NW, Suite 400, Washington, D.C. 20007, (202) 342-8552, mconway@kelleydrye.com.

Respectfully submitted,

Capital Telecommunications, Inc.

By: Tom Rowley

Chief Executive Officer Capital Telecommunications, Inc. 2728 Orchard Parkway San Jose, California 95134 Tel: (408) 625-2700

Starvox Communications, Inc.

By: Tom Rowley

Chief Executive Officer Starvox Communications, Inc. 2728 Orchard Parkway San Jose, California 95134 Tel: (408) 625-2700

Date: March 19, 2008

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EXHIBIT A

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Capital Telecommunications, Inc.

Voice, Data, Internet Wireless.

March 17, 2008

«Name» «Address_1», «Address_2» «City», «State» «Zip»

IMPORTANT NOTIFICATION – UPDATE - Your action is required! You must subscribe to a telephone service provider other than CTUStarvox prior to the end of the thirty (30) day period from the date above or you will not have access to the services currently uvailable to you through CTUStarvox.

Dear Valued Customer:

Last month, we notified you that CTI and Starvox Communications ("CTI/Starvox") had entered into an agreement to transfer CTI/Starvox customers to bComm, Inc. ("bComm"). We also noted that we would update you with any development or details regarding the discontinuance of your setvice by CTI/Starvox. The purpose of this letter is to inform you that the agreement with bComm will not be consummated. Instead, if you haven't already, you will need to find a new service provider for your local or long distance, internet or data communications needs.

Effective thirty (30) days after the date of this letter, or as soon thereafter as the necessary regulatory approvals are obtained, CTU/Starvox will be discontinuing your telecommunications services. This discontinuance affects service in all states in which CTU/Starvox provides telecommunications service. This notice clarifies and supersedes any provious communications on this issue.

CTI/Starvox will cooperate with you through the date of discontinuance concerning the transition of your telephone service to an alternative carrier of your choice and will assist you in transitioning your existing local telephone number(s) where permitted. Please consult your local telephone directory or the incumbent local exchange carrier(s) in your area for a list of other possible providers. Should you need our assistance, please contact us at 800-673-2400. We regret to inform you that certain underlying vendors of critical services have threatened to cease providing service to CTI/Starvox. If any such vendor stops providing service, the effect could be to render us unable to provide service to you for reasons beyond our control even before the thirty (30) day period has expired. Thus, it is vital that you obtain service from a substitute provider immediately.

The FCC will normally authorize this proposed discontinuance of service unless it is shown that sustomers would be unable to receive service or a reasonable subtitute from another carrier or that the public convenience and necessity is otherwise adversely affected. If you wish to object, you should file your comments within fifteen (15) days after receipt of this notification. Address then to the Federal Communications Commission, Washington, DC 20554, referencing the <u>\$63.71</u> Application of CTI/StarVox Communications Inc. Comments should include specific information about the impact of this proposed discontinuance upon you or your company, including any inability to sequire reasonable substitute service.

CTI/Starvox appreciates your business, and we regret that we will no longer be providing your telephone services. It has been our pleasure serving you.

CTL/Starvox Communications, Inc.

200 West Market Street • York, PA 17401 • www.captel.com phone: 717-848-8800 • toll-free: 800-673-2400 • fax: 717-848-8806 CTI is a wholly owned subsidiary of StarVox Communications, Inc.





Capital Telecommunications, Inc.

11:27 50 a.m. 02-18-2008 112 H TT 11- UNI 15 212-530 - 2592

Voice. Data. Internet. Wireless.

AN IMPORTANT NOTICE REGARDING YOUR SERVICE FROM CTI/STARVOX COMMUNICATIONS AND bComm, Inc.

A W HALL INS AGENCY 652924 308 E MAIN ST SALISBURY, MD 21801

February 12, 2008

Dear CTI and StarVox Customers:

In order to ensure that you continue to receive high quality service, we are pleased to inform you that CTI and StarVox Communications ("CTI/StarVox") have entered into an agreement to transfer CTI/StarVox customers to bComm, Inc. ("bComm"). Subject to final regulatory approvals, the anticipated date for the transfer of your service to bComm is March 31, 2008, or as soon thereafter as the necessary governmental approvals can be obtained. Upon completion of the transfer, CTI/StarVox will no longer be your local or long distance telephone, internet or data service provider.

As a customer of bComm, you will continue to receive all the features, terms and conditions of service, and current rates that you enjoy today. You will receive a Welcome Letter from bComm shortly with additional information.

You will not be inconvenienced by this change – your current telephone number and account will be migrated to bComm and the process will be seamless. The only change you will notice is the name of your new service provider on your bill beginning in April 2008

As part of CTI/StarVox's discontinuation of service process, we are required to provide you with the following information:

The FCC will normally authorize this proposed discontinuance of service unless it is shown that customers would be unable to receive service or a reasonable substitute from another carrier or that the public convenience and necessity is otherwise adversely affected. If you wish to object, you should file your comments within 15 days after receipt of this notification. Address them to the Federal Communications Commission, Washington, DC 20554 referencing the §63.71 Application of StarVox Communications Services, Inc. Comments should include specific information about the impact of the proposed discontinuance upon you or your company, including any inability to acquire reasonable substitute service.

200 West Market Street • York, PA 17401 • www.caplel.com Phone: 717-848-8800 • Toll-Free: 800-673-2400 • Fax: 717-848-8806 CTI is a wholly owned subsidiary of StarVox Communications, Inc. The transfer of your account to bComm is subject to the parties being able to close the transaction and obtaining the final approval of the state and federal regulatory authorities. We will notify you of any developments that affect the timing or details regarding the transfer of your service as soon as reasonably possible.

It has been the pleasure of CTI/StarVox to provide you with quality local, long distance and data communications services and we emphasize that you are a valued customer of CTI/StarVox and will be treated as such by bComm. You will automatically become a bComm customer and bComm will pay any change charges associated with the transfer of your account, unless, subject to any contractual obligations with CTI/StarVox, you choose another carrier within thirty (30) days of the date of this letter. You may choose another carrier for your telephone service at any time in accordance with the terms of your contract. If you have placed a "freeze" on CTI/StarVox's local or long distance services to prevent their unauthorized transfer to another carrier, it will be lifted and your StarVox services will be transferred to bComm. At your request, bComm can re-establish freeze protection for you after the transfer.

If you have any questions regarding this notice or any of CTI/StarVox's services, please contact a representative of CTI/StarVox at 800-673-2400 located at 147 West Philadelphia Street, York PA 17401.

Cordially,

bComm, Inc.

CTI/StarVox Communications, Inc

CERTIFICATE OF SERVICE

I hereby certify that the foregoing Section 63.71 Application was served this 19th day of March 2008, by mailing true and correct copies thereof, postage prepaid, to the following persons at the addresses listed below.

Secretary of Defense ATTN: Special Assistant for Telecommunications Pentagon Washington, DC 20301

Secretary California Public Utilities Commission 505 Van Ness Avenue San Francisco, CA 94102

The Honorable Arnold Schwarzenegger Governor of California State Capitol Building Sacramento, CA 95814

Secretary State of Connecticut Department of Public Utility Control Ten Franklin Square New Britain, CT 06051

The Honorable M. Jodi Rell Governor of Connecticut Executive Office of the Governor State Capitol 210 Capitol Avenue Hartford, Connecticut 06106

Mr. Bruce Burcat Delaware Public Service Commission 861 Silver Lake Boulevard Cannon Building, Suite 100 Dover, Delaware 19904 The Honorable Ruth Ann Minner Governor of Delaware Wilmington Office Carvel State Office Bldg. 820 N. French Street, 12th Fl. Wilmington, DE 19801

The Honorable Adrian M. Fenty Executive Office of the Mayor 1350 Pennsylvania Avenue, NW Suite 310 Washington, DC 20004

Mr. Sanford Speight, Acting Secretary D.C. Public Service Commission 1333 H Street, NW Suite 200, West Tower; Washington, DC 20005

Secretary Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850

The Honorable Jeb Bush Governor of Florida Executive Office of the Governor The Capitol Tallahassee, Fl. 32399-0001

Secretary Georgia Public Service Commission 244 Washington Street, SW Atlanta GA, 30334 The Honorable Sonny Perdue Governor of Georgia Office of the Governor Georgia State Capitol Atlanta, GA 30334

Secretary Illinois Commerce Commission 527 East Capitol Avenue Springfield, IL 62701

The Honorable Rod R. Blagojevich Governor of Illinois Office of the Governor 207 State House Springfield, IL 62706

Secretary Indiana Utility Regulatory Commission Indiana Government Center South 302 West Washington Street Suite E-306 Indianapolis Indiana 46204

The Honorable Mitch Daniels Governor of Indiana Office of the Governor Statehouse Indianapolis, Indiana 46204-2797

Secretary Massachusetts DTE One South Station Boston, MA. 02110

The Honorable Mitt Romney Governor of Massachusetts Office of the Governor Room 360 Boston, MA 02133

Secretary Maryland Public Service Commission William Donald Schaefer Tower 6 St. Paul St., 16th Floor Baltimore, MD 21202 The Honorable Robert L. Ehrlich, Jr. Governor of Maryland Office of the Governor State House Annapolis, Maryland 21401-1925

Secretary Michigan Public Service Commission 6545 Mercantile Way, Suite 7 Lansing, MI 48911

The Honorable Jennifer M. Granholm Governor of Michigan P.O. Box 30013 Lansing, Michigan 48909

Ms. Kristy Izzo, Secretary New Jersey Board of Public Utilities Two Gateway Center, 8th Floor Newark, NJ 07102

The Honorable Jon S. Corzine Governor of New Jersey Office of the Governor PO Box 001 Trenton, NJ 08625

Ms. Jaclyn Brilling, Acting Secretary New York Public Service Commission Three Empire State Plaza Albany, NY 12223-1350

The Honorable David A. Patterson Governor of New York State Capitol Albany, NY 12224

Secretary North Carolina Utilities Commission 430 North Salisbury Street Dobbs Building Raleigh, NC 27603-5918 The Honorable Michael F. Easley Govenor of North Carolina Office of the Governor 20301 Mail Service Center Raleigh, NC 27699-0301

Secretary The Public Utilities Commission of Ohio 180 E. Broad St. Columbus, OH 43215

The Honorable Bob Taft Governor of Ohio 30th Floor 77 South High Street Columbus, Ohio 43215-6117

Secretary Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street Harrisburg, PA 17120

The Honorable Edward G. Rendell Governor of Pennsylvania 225 Main Capitol Building Harrisburg, Pennsylvania 17120

Secretary Public Utility Commission of Texas 1701 N. Congress Avenue PO Box 13326 Austin, TX 78711-3326

The Honrable Rick Perry Governor of Texas Office of the Governor P.O. Box 12428 Austin, Texas 78711-2428 Secretary Public Service Commission of Utah Heber M. Wells Building Fourth Floor 160 East 300 South Salt Lake City, UT 84111

The Honorable Jon Huntsman, Jr. Governor of Utah Utah State Capitol Complex East Office Building, Suite E220 PO Box 142220 Salt Lake City, Utah 84114-2220

Secretary Commonwealth of Virginia State Corporation Commission Tyler Building, 1300 E. Main St. Richmond, Virginia 23219

The Honorable Mark R. Warner Governor of Virginia Patrick Henry Building, 3rd Floor 1111 East Broad Street Richmond, Virginia 23219

Secretary Washington UTC P.O. Box 47250 1300 Evergreen Park Dr. SW Olympia, WA 98504-7250

The Honorable Christine Gregoire Governor of Washington Office of the Governor PO Box 40002 Olympia, WA 98504-0002

Tara Mahoney