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W APPLICATION

ORIGINAL

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May 6, 2000

**VIA OVERNIGHT DELIVERY**

Docket Control Center  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, Arizona 85007  
(602) 542-2237

DOCKET NO

T 03878A-00-0517

Re: Natel, LLC  
Requirements for Long Distance Resellers

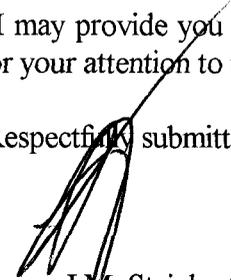
Dear Sir/Madam:

Enclosed please find for filing an original and ten (10) copies of Natel, LLC's Application and Petition for Certificate of Public Convenience and Necessity to Provide Competitive Intrastate Telecommunications as a Reseller.

I have also enclosed an extra copy of this letter to be date stamped and returned to me in the enclosed, self addressed, postage prepaid envelope.

If you have any questions or if I may provide you with any additional information, please do not hesitate to contact me. Thank you for your attention to this matter.

Respectfully submitted,

  
Lance J.M. Steinhart  
Attorney for Natel, LLC

Enclosures  
cc: Charles Taylor

# NEW APPLICATION

FORM A

## ARIZONA CORPORATION COMMISSION

### Application and Petition for Certificate of Convenience and Necessity to Provide Competitive Intrastate Telecommunications Services as a Long Distance Reseller

Mail original plus 10 copies  
of completed application to:

For Docket Control Only:  
(Place Stamp Here)

Docket Control Center  
Arizona Corporation Commission  
1200 W. Washington St.  
Phoenix, AZ 85007

If you have current applications  
pending in Arizona for provision  
of reseller, AOS, or other  
telecommunication services,  
please identify:

**DOCKET NO. T 03878A-00-0317**

Type of Service:

Docket No.:

Date:

Docket No.:

Type of Service:

Docket No.:

Date:

Date Docketed:

#### A. Company and Telecommunications Service Information

(A-1) The name, address, and telephone number (including area code) of the applicant (company):

**Natel, LLC  
6051 N. Brookline, #121  
Oklahoma City, Oklahoma 73112  
(405) 858-0003**

(A-2) If doing business (dba) under a name other than the applicant (company) name listed above, specify:

(A-3) The name, address, telephone number, and facsimile number and email address of the management contact:

**Charles Taylor**

**Member**  
**Natel, LLC**  
**6051 N. Brookline, #121**  
**Oklahoma City, Oklahoma 73112**  
**(405) 858-0003/Phone**  
**(405) 858-0104/Fax**  
**ctay099@yahoo.com**

(A-4) The name, address, and telephone, facsimile number and email address of the attorney, if any, representing the applicant:

**Lance J.M. Steinhart**  
**Attorney at Law**  
**6455 East Johns Crossing**  
**Suite 285**  
**Duluth, Georgia 30097**  
**770-232-9200/Phone**  
**770-232-9208/Fax**  
**lsteinhart@telecomcounsel.com**

(A-5) What type of legal entity is the applicant?

- Sole proprietorship
- Partnership  limited,  
 general,  
 Arizona,  
 Foreign
- Limited liability company
- Corporation  "S",  
 "C",  
 non-profit,  
 Arizona,  
 Foreign
- Other, specify:

(A-6) Include "Attachment A." Attachment A must list names of all owners, partners, limited liability company managers, or corporation officers and directors (specify), and indicate percentages of ownership.

(A-7) 1. Is your company currently reselling telecommunication service in Arizona? If yes, provide the date or the approximate date that you began reselling service in Arizona. **No.**

*Application and Petition for Competitive Reseller CC&N*

2. If the answer to 1. is "yes", identify the types of telecommunications services you resell; whether operator services are provided or resold and whether they are provided or resold to traffic aggregators (as defined in A.A.C. Rule R14-2-1001(3), a copy of which is attached); the number of customers in Arizona for each type of service; and the total number of intrastate minutes resold in the latest 12 month period for which data is available. Note: The Commission rules require that a separate CC&N, issued under Article 10, be obtained in order to provide operator services to traffic aggregators.
3. If the answer to 1. is "no", when does your company plan to begin reselling service in Arizona?

**Upon acceptance of application.**

- (A-8) Include "Attachment B." Attachment B, your proposed tariff, must include proposed rates and charges for each service to be provided, state the tariff (maximum) rate as well as the price to be charged, and state other terms and conditions, including deposits, that will apply to provision of the service(s) by your company.

The Commission provides pricing flexibility by allowing competitive telecommunications service companies to price their services at levels equal to or below the tariff (maximum) rates. The prices to be charged by the company are filed with the Commission in the form of price lists. See the "Illustrative Tariff/Price List Example" attached. Note: Price list rate changes that result in rates that are lower than the tariff rate are effective upon concurrent notice to the Commission (See Rule R14-2-1109(B)(2)). See Rule R14-2-1110 for the procedures to make price list changes that result in rates that are higher than the tariff rate.

- (A-9) The geographic market to be served is:

statewide.  
 other, describe and provide a map depicting the area.

- (A-10) List the states in which you currently resell services similar to those you intend to resell in Arizona.

**Arkansas, Colorado, Idaho, Iowa, Michigan, Montana, New Hampshire, New Jersey, New York, North Dakota, Oregon, Tennessee, Texas, Utah, Virginia, and Wyoming.**

*Application and Petition for Competitive Reseller CC&N*

(A-11) Provide the name, address, and telephone number of the company's complaint contact person.

**Steve Taylor  
Natel, LLC  
6051 N. Brookline, #121  
Oklahoma City, Oklahoma 73112  
Phone: (888) 926-2835**

(A-12) Provide a list of states in which you have sought authority to resell telecommunications services and in which the state granted the authority with major changes and conditions or did not grant your application for those services. For each state listed, provide a copy of the Commission's decision modifying or denying your application for authority to provide telecommunications services.

**None.**

(A-13) Has the company been granted authority to provide or resell telecommunications services in any state where subsequently the authority was revoked? If "yes", provide copies of the State Regulatory Commission's decision revoking its authority.

**No.**

(A-14) Has the company been or is the company currently involved in any formal complaint proceedings before any state or Federal Regulatory Commission? If "yes", in which states is the company involved in proceedings and what is the substance of these complaints. Also, provide copies of Commission orders that have resolved any of these complaints.

**No.**

(A-15) Has the applicant been involved in any civil or criminal investigations related to the delivery of telecommunications services within the last five years? If "yes", in which states has the applicant been involved in investigations and why is the applicant being investigated?

**No.**

(A-16) Has the applicant had judgment entered against it in any civil matter or been convicted of criminal acts related to the delivery of telecommunications services within the last five years? If yes, list the states where judgment or conviction was entered and provide a copy of the court order.

**No.**

*Application and Petition for Competitive Reseller CC&N*

**B. Technical Information**

(B-1) If your company is a switchless reseller, provide the name of the company or companies whose services you resell and skip to question (B-2). If you are not a switchless reseller, complete the remainder of this section.

**Yes, the company intends to resell services provided by Qwest, MCI WorldCom, World Access & Caprock.**

Include "Attachment C." Attachment C should provide the following information: A diagram of the applicant's basic call network used to complete Arizona intrastate telecommunications traffic. This diagram should show how a typical call is routed in both its originating and terminating ends (i.e. show the access network and call completion network).

Also include on the diagram the carrier(s) used for each major network component and indicate if the carrier is facilities-based or not. If the carrier is not facilities-based, indicate who owns the facilities (within the State of Arizona) that are used to originate and terminate the applicant's intrastate telecommunications traffic (i.e. provide a list of the Arizona facilities-based long distance carriers whose facilities are used to complete the applicant's intrastate traffic).

(B-2) Will your customers be able to access alternative toll service providers or resellers via 1+ or 101XXXX access, if your system becomes non-operational?

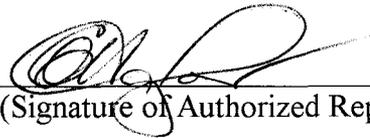
**Yes.**

*Application and Petition for Competitive Reseller CC&N*

<b>C. Financial Information</b>	
(C-1)	Include "Attachment D." Attachment D <b>must</b> include copy of your Company's balance sheet, income statement, audit report (if audited) and all related notes to these financial statements for the two most recent years your Company has been in business. <b>See Attachment D</b>
(C-2)	If your Company does not have financial statements for the two most recent years, please give the date your Company began operations.
(C-3)	If the balance sheets you submit do not have retained earnings accounts, please provide this account information on a separate sheet for each of the two years. <b>N/A</b>
(C-4)	If your Company is a subsidiary, please provide your Parent Company's financial statements, in addition to your Company's financial statements. <b>N/A</b>
(C-5)	If your Company intends to rely on the financial resources of its Parent Company, please provide a written statement from your Parent Company attesting that it will provide complete financial backing if your Company experienced a net loss or a business failure and that it will guarantee to payment of customers, advances, prepayments or deposits held by your Company if, for some reason, your Company cannot provide service or repay the deposits. <b>N/A</b>
(C-6)	Will your customers be required to (or have the option to) pay advances, prepayments, or deposits for any of your products or services.  YES <input checked="" type="checkbox"/> (If yes, provide an explanation of how and when these customers advances, prepayments, or deposits will be applied of reference the terms and conditions section of your Company's tariffs with this explanation. If this information is not explained in the tariff of this application, please provide it on a separate sheet.)  <b>See sheets 25 and 26 of the Company's tariff.</b>  NO <input type="checkbox"/> ( <b>Note:</b> If at a later date, your Company decides it wants to offer or require customer advances, prepayments or deposits, it must submit financial statements as part of the tariff amendment process.)

*Application and Petition for Competitive Reseller CC&N*

I certify that if the applicant is an Arizona corporation, a current copy of the Articles of Incorporation is on file with the Arizona Corporation Commission and the applicant holds a Certificate of Good Standing from the Commission. If the company is a foreign corporation or partnership, I certify that the company has authority to transact business in Arizona. I certify that all appropriate city, county and/or State agency approvals have been obtained. Upon signing of this application I attest that I have read the Commission's rules and regulations relating to the regulations of telecommunications services and that the company will abide by Arizona State Law including the Arizona Corporation Commission Rules and Regulations. I agree that the Commission's rules apply in the event there is a conflict between those rules and the company's tariff, unless otherwise ordered by the Commission. I certify that to the best of my knowledge the information provided in this Application and Petition is true and correct.



(Signature of Authorized Representative)

5 April 2000

(Date)

Charles Taylor

(Printed Name of Authorized Representative)

Member

(Title)

SUBSCRIBED AND SWORN to before me this 5<sup>th</sup> day of April, 2000.

Michelle Harton

NOTARY PUBLIC

My Commission Expires: March 18, 2003

## ATTACHMENTS

### A - Officers and Directors

#### Managing Members:

Danny Bannister  
James Bannister  
Chad Dobbins  
Charles Taylor

#### Directors:

NONE

**B - Proposed Tariff**





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ISSUE DATE: May 9, 2000	EFFECTIVE DATE:	,2000
ISSUED BY:	Charles Taylor, Member 6051 N. Brookline, #121 Oklahoma City, Oklahoma 73112	







































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**3.5 Service Offerings****3.5.1 1+ Dialing**

This service permits Customers to originate calls via switched or dedicated access lines, and to terminate intrastate calls. The customer dials "1+" followed by "ten digits" or dials "101XXXX" followed by "1+ ten digits".

**3.5.2 Travel Cards**

The Customer utilizes an 11 digit "toll-free" access number established by the Company to access a terminal. Upon receiving a voice prompt, the Customer uses push button dialing to enter an identification code assigned by the Company, and the ten digit number of the called party.

**3.5.3 800 Service (Toll-Free)**

This service is inbound calling only where an 800, 888 or other toll-free prefix number rings into a Customer's premise routed to a specific telephone number or terminated over a dedicated facility.

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ISSUE DATE: May 9, 2000      EFFECTIVE DATE: \_\_\_\_\_, 2000

ISSUED BY: Charles Taylor, Member  
6051 N. Brookline, #121  
Oklahoma City, Oklahoma 73112











**4.3 800 Service (Toll Free)**

\$0.15 per minute

A \$10 per month per number service charge applies.  
Billed in one minute increments

**4.4 Prepaid Calling Cards  
Program**

A	\$.015	Per Telecom Unit
B	\$.019	Per Telecom Unit
C	\$.025	Per Telecom Unit
D	\$.029	Per Telecom Unit
E	\$.032	Per Telecom Unit
F	\$.035	Per Telecom Unit
G	\$.039	Per Telecom Unit
H	\$.045	Per Telecom Unit
I	\$.05	Per Telecom Unit
J	\$.06	Per Telecom Unit
K	\$.07	Per Telecom Unit
L	\$.08	Per Telecom Unit
M	\$.09	Per Telecom Unit
N	\$.10	Per Telecom Unit
O	\$.11	Per Telecom Unit
P	\$.12	Per Telecom Unit
Q	\$.13	Per Telecom Unit
R	\$.14	Per Telecom Unit
S	\$.15	Per Telecom Unit
T	\$.19	Per Telecom Unit
U	\$.20	Per Telecom Unit
V	\$.25	Per Telecom Unit
W	\$.29	Per Telecom Unit
X	\$.30	Per Telecom Unit
Y	\$.33	Per Telecom Unit
Z	\$.35	Per Telecom Unit
AA	\$.39	Per Telecom Unit
BB	\$.40	Per Telecom Unit
CC	\$.50	Per Telecom Unit

A \$.59 per call service charge applies.

ISSUE DATE: May 9, 2000	EFFECTIVE DATE:	,2000
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4.5 Directory Assistance

\$.95

4.6 Returned Check Charge

\$25.00

4.7 Rate Periods

	Monday - Friday	Sat.	Sun.
8 a.m. to 5 p.m.*	Daytime Rate Period		
5 p.m. to 11 p.m.*	Evening Rate Period		Evening Rate Period
11 p.m. to 8 a.m.*	Night/Weekend Rate Period		

\* To, but not including  
When a message spans more than one rate period, total charges for the minutes in each rate period are calculated and the results for each rate period are totaled to obtain the total message charge. If the calculation results in a fractional charge, the amount will be rounded down to the lower cent.

ISSUE DATE: May 9, 2000      EFFECTIVE DATE: \_\_\_\_\_, 2000  
ISSUED BY: Charles Taylor, Member  
6051 N. Brookline, #121  
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SECTION 5 - MINIMUM/MAXIMUM RATES

5.1 1 + Dialing

\$0.04 per minute Minimum

\$0.40 per minute Maximum

5.2 Travel Cards

\$0.05 per minute Minimum

\$0.40 per minute Maximum

5.3 800 Service (Toll-Free)

\$0.04 per minute Minimum

\$0.40 per minute Maximum

5.4 Prepaid Calling Cards

\$0.01 per minute Minimum

\$1.00 per minute Maximum

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ISSUE DATE: May 9, 2000      EFFECTIVE DATE: \_\_\_\_\_, 2000  
ISSUED BY: Charles Taylor, Member  
6051 N. Brookline, #121  
Oklahoma City, Oklahoma 73112

**D - Financial Statements**

Financial Statements

of  
Natel L.L.C.  
For the Period Ended December 31, 1999

See Accompanying Accountant's Compilation Report

Natel L.L.C.  
Balance Sheet  
December 31, 1999

Assets

Current Assets

Cash in Bank-Acct.#  
Cash in Bank - Other

\$ (9,380.31)  
298.26

Total Current Assets

\$ (9,082.05)

Fixed Assets

Fixtures and Equipment  
Accumulated Depreciation

54,636.02  
(2,450.00)

Total Fixed Assets

52,186.02

Other Assets

Other Assets

1,950.67

Total Other Assets

1,950.67

Total Assets

\$ 45,054.64

See Accompanying Accountant's Compilation Report

Natel L.L.C.  
Balance Sheet  
December 31, 1999

Liabilities and Equity

Current Liabilities

Notes Payable -First American	\$	814.00
Federal Withholding Payable		4,487.06
FICA Tax Payable		4,585.83
State Withholding Payable		1,037.40
Federal Unemployment Payable		783.69
State Unemployment Payable		<u>1,259.37</u>

Total Current Liabilities \$ 12,967.35

Long Term Liabilities

Equity

Taylor & Co.---Capital	(74,687.49)
James Bannister-Capital	(74,687.48)
Danny Bannister-Capital	(74,687.48)
Chad Dobbins-Capital	(74,687.48)
Current Income (Loss)	<u>330,837.22</u>

Total Equity 32,087.29

Total Liabilities & Equity \$ 45,054.64

See Accompanying Accountant's Compilation Report

Natel L.L.C.  
Income Statement  
For the Period Ended December 31, 1999

	12 Months Ended <u>Dec. 31, 1999</u>	<u>Pct</u>
Revenue		
Sales -Recharge	\$ 3,214,416.86	102.20
Returns and Allowances	<u>(69,080.52)</u>	<u>( 2.20)</u>
Total Revenue	3,145,336.34	100.00
Cost of Sales		
Cost of Goods Sold	<u>2,296,097.77</u>	<u>73.00</u>
Total Cost of Sales	<u>2,296,097.77</u>	<u>73.00</u>
Gross Profit	849,238.57	27.00
Operating Expenses		
Accounting	2,000.00	0.06
Advertising	450.80	0.01
Bad Debts	9,090.25	0.29
Bank Charges	5,523.46	0.18
Commissions	69,792.90	2.22
commissions	1,908.35	0.06
Contract Labor	286.51	0.01
Credit Card Fees	9,496.72	0.30
Answering Service	2,039.14	0.06
Dues and Subscriptions	100.00	0.00
Equipment Rental	1,345.64	0.04
GUARANTEED PAYMENTS	2,500.00	0.08
Insurance	500.00	0.02
Interest	50.00	0.00
Licenses and Fees	910.00	0.03
Meals & Entertainment	467.52	0.01
Miscellaneous	17,891.43	0.57
Office Expense	15,962.82	0.51
Postage	7,939.64	0.25
Rent	24,222.50	0.77
Repairs and Maintenance	682.27	0.02
Salaries and Wages	155,517.55	4.94
Supplies	68,320.77	2.17
Taxes - Payroll	15,704.24	0.50
Taxes - Other	38.05	0.00
Telephone	103,898.24	3.30
Travel	<u>1,849.78</u>	<u>0.06</u>
Total Expenses	<u>518,488.58</u>	<u>16.48</u>
Operating Income	330,749.99	10.52
Interest Income	<u>87.23</u>	<u>0.00</u>
Total Other Income	<u>87.23</u>	<u>0.00</u>

See Accompanying Accountant's Compilation Report

	12 Months Ended <u>Dec. 31, 1999</u>	<u>Pct</u>
Net Income (Loss)	\$ <u>330,837.22</u>	<u>10.52</u>

See Accompanying Accountant's Compilation Report

