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Our File Number 39888-00007

January 20, 2005

**Via Hand-Delivery**

Arizona Corporation Commission  
Utilities Division - Docket Control  
1200 W. Washington Street  
Phoenix, Arizona 85007

Arizona Corporation Commission  
**DOCKETED**

**JAN 20 2005**

DOCKETED BY *CH*

Re: Responses to Staff's Second Set of Data Requests  
Docket Nos: T-02719A-04-0760; T-04280A-04-0760

To Docket Control:

Attached are GE Business Productivity Solutions, Inc.'s and Business Productivity Solutions, Inc.'s responses to Staff's Second Set of Data Requests in the above-referenced docket.

Very truly yours,

Michael T. Hallam

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2005 JAN 20 P 4:42  
AZ CORP COMMISSION  
DOCUMENT CONTROL

MTH/jw

Enclosures  
cc: Adam Lebrecht  
Jason Gellman

**GE BUSINESS PRODUCTIVITY SOLUTIONS, INC.'S AND  
BUSINESS PRODUCTIVITY SOLUTIONS, INC.'S  
RESPONSES TO STAFF'S SECOND SET OF DATA REQUESTS**

**Docket Nos: T-02719A-04-0760 and T-04280A-04-0760**

GE Business Productivity Solutions, Inc. ("GEBPS") and Business Productivity Solutions, Inc. ("BPS") (collectively, "Applicants"), hereby submit the responses to the Second Set of Data Requests submitted by the Arizona Corporation Commission Staff ("Staff").

**SPECIFIC RESPONSES TO ALL DATA REQUESTS**

1. Please submit a non-PDF file of your responses to this data request to [alebrecht@cc.state.az.us](mailto:alebrecht@cc.state.az.us).

**RESPONSE:** Will be provided.

2. Please explain how your company calculated the actual maximum and actual minimum rates that will be contained in your tariffs for each of your services.

**RESPONSE:** Business Productivity Solutions, Inc. (BPS) intends to adopt, in its entirety, the existing, approved, GE Business Productivity Solutions, Inc. (GEBPS) A.C.C. Tariff No. 2. Therefore, BPS has not engaged in a cost and rate analysis of these rates. BPS is not asking to establish minimum rates. BPS submitted its proposed tariff with a prior filing (see below). Staff will find that the only difference between the GEBPS tariff and the BPS tariff is that all references to "GE" or "General Electric" have been removed and that the address for BPS' principal place of business has changed.

3. Please explain why you believe that your range of rates is just and reasonable using a competitive market analysis. Your analysis may contain publicly available examples of rates charged by the incumbent or other carriers for similar services or any other information that you believe demonstrates that your actual rates are just and reasonable. Please include any supporting materials. For a list of carriers certificated in Arizona, go to [www.cc.state.az.us/utility/utility](http://www.cc.state.az.us/utility/utility). For a list of Commission-approved telecommunications rates and tariffs go to [www.cc.state.az.us/utility/tariffs](http://www.cc.state.az.us/utility/tariffs).

**RESPONSE:** The table below presents a comparison of the rates for basic, outbound 1+, business long distance service (switched) for a small sampling of

Arizona long distance providers:

Company	Maximum Rate Per Minute	Current or Price List Rate Per Minute
Business Productivity Solutions, Inc.	\$0.5500	\$0.0950
Advanced TelCom, Inc.	\$0.5000	\$0.1590
Eschelon Telecom of Arizona, Inc.	\$0.1200	\$0.1000
Comcast Long Distance	\$0.3580	\$0.1790
Business Network Long Distance, Inc.	\$0.4000	\$0.0400 (minimum)

4. Please indicate why you believe that your range of rates is just and reasonable using a fair value or cost basis. Please include economic justification or cost support data. Please include any supporting materials.

**RESPONSE:** Again, BPS intends to adopt the rates, terms and conditions already established by GEBPS in its approved A.C.C. Tariff No. 2. The intrastate/intraLATA long distance telecommunications marketplace is highly competitive. Since BPS is a very small player in that market (less than 700 Arizona customers), it must also then, be a “price-taker” in that market and keep its rates in line with the current rates of all the other carriers or face ceasing business. Long distance consumers have a multitude of alternatives – according to the Arizona Corporation Commission’s current list of long distance resellers, at least 250 providers.

5. Please submit a complete tariff setting forth your rates and charges.

**RESPONSE:** Please see Attachment B to the Supplement to Application filed November 22, 2004.

6. Please identify any other jurisdictions in which your company or an affiliate provides similar services. Please specify the rates that your company and/or affiliate charges for these similar services in these other jurisdictions. If there is a difference between the rates that your company will charge in Arizona and the rates your company and/or affiliate charges in other jurisdictions for similar services, please identify the amount of the difference and explain why you are charging different rates in Arizona.

**RESPONSE:** BPS is certified, or has nearly completed the certification process, in 48 states in addition to Arizona. The respondent has personally reviewed and modified<sup>1</sup> almost 45 state tariffs for BPS and the rates are all comparable, *if not identical*, to the current rates shown in BPS’ proposed A.C.C. Tariff No. 1, Price List.

<sup>1</sup> By “modified” respondent is referring to having removed references to “GE” and/or “General Electric” and changing the address of the Company’s principal place of business.

7. Please submit a copy of the BPS Certificate of Good Standing in Arizona.

**RESPONSE:** See attached.

8. Please indicate BPS's total number of employees and their total combined years of experience in the telecommunications industry.

**RESPONSE:** As a wholly owned subsidiary of Eschelon Telecom, Inc., BPS is backed by over 1000 telecommunications professionals and specialists. The officers of Business Productivity Solutions, Inc. together with Eschelon's executive management team alone, represent over 100 years of combined telecommunications experience.

Responses Provided By:

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Regulatory Affairs  
Eschelon Telecom, Inc.  
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# STATE OF ARIZONA



Office of the  
**CORPORATION COMMISSION**

**CERTIFICATE OF GOOD STANDING**

To all to whom these presents shall come, greeting:

I, Brian C. McNeil, Executive Secretary of the Arizona Corporation Commission, do hereby certify that

**\*\*\*BUSINESS PRODUCTIVITY SOLUTIONS, INC.\*\*\***

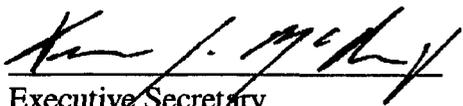
a foreign corporation organized under the laws of Minnesota did obtain authority to transact business in the State of Arizona on the 27th day of October 2004.

I further certify that according to the records of the Arizona Corporation Commission, as of the date set forth hereunder, the said corporation has not had its authority revoked for failure to comply with the provisions of the Arizona Business Corporation Act; that its most recent Annual Report, subject to the provisions of A.R.S. sections 10-122, 10-123, 10-125 & 10-1622, has been delivered to the Arizona Corporation Commission for filing; and that the said corporation has not filed an Application for Withdrawal as of the date of this certificate.

This certificate relates only to the legal authority of the above named entity as of the date issued. This certificate is not to be construed as an endorsement, recommendation, or notice of approval of the entity's condition or business activities and practices.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Arizona Corporation Commission. Done at Phoenix, the Capital, this 18th Day of January, 2005, A. D.



  
Executive Secretary

By 