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ARIZONA CORPORATION COMMISSION

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January 30, 2002

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Mr. Lance J. M. Steinhart
6455 East Johns Crossing
Suite 285
Duluth, Georgia 30097

Arizona Corporation Commission

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AZ CORP COMMISSION
DOCUMENT CONTROL

RE: Docket No. T-03793A-99-0608

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Dear Mr. Steinhart:

As a result of the November 15, 2001 decision by the Arizona Supreme Court in the matter of US WEST Communications, Inc. v. the Arizona Corporation Commission et al, the Arizona Corporation Commission ("Commission") is required to determine the fair value of each utility's Arizona property to aid it in setting just and reasonable rates. Because the Commission has not made a fair value finding for MVX Communications, LLC in the past, it must make a fair value finding for Quantum Shift's Arizona property. Although the Staff Report has been filed in this matter, the Administrative Law Judge will likely hold the record open until the following information is provided. Please provide the following information to enable the determination of fair value and avoid delays in the processing of this case.

If the Applicant has been operating in Arizona twelve (12) months or more, please:

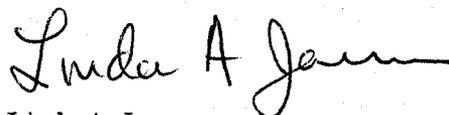
1. Provide total revenue for the latest twelve months available generated by the provision of telecommunications services to Arizona customers adjusted to reflect the maximum rates for which the Applicant requested approval. Adjusted revenue may be calculated as the number of units sold times the maximum charge per unit.
2. Provide total actual operating expenses incurred in the provision of telecommunications services to Arizona customers during the same twelve-month period.
3. Provide the net book value (original cost less accumulated depreciation) of all Arizona jurisdictional assets used in the provision of telecommunications services to Arizona customers at the end of the same twelve month period. Assets are not limited to plant and equipment. Items such as office equipment and office supplies should be included in this list.
4. If the actual value of all assets is zero, please specifically state this in your response.
5. If the fair value of all assets is different than the net book value, also provide the corresponding fair value amounts.

If the Applicant has not commenced operations or has been operating in Arizona less than twelve (12) months, please:

1. Provide the projected total revenue expected to be generated by the provision of telecommunications services to Arizona customers for the first twelve months following certification, adjusted to reflect the maximum rates for which the Applicant requested approval. Adjusted revenues may be calculated as the number of units sold times the maximum charge per unit.
2. Provide the operating expenses expected to be incurred during the first twelve months of providing telecommunications services to Arizona customers following certification.
3. Provide the net book value (original cost less accumulated depreciation) of all Arizona jurisdictional assets expected to be used in the provision of telecommunications service to Arizona customers at the end of the first twelve months of operation. Assets are not limited to plant and equipment. Items such as office equipment and office supplies should be included in this list.
4. If the projected value of all assets is zero, please specifically state this in your response.
5. If the projected fair value of the assets is different than the projected net book value, also provide the corresponding projected fair value amounts.

Staff requests the Applicant provide the above information within **10 days** of the date of this letter. Please mail your response (an original plus 10 copies) to Docket Control, Arizona Corporation Commission, 1200 W. Washington Street, Phoenix, AZ 85007-2927. If you have any questions, please contact me at (602) 542-0859. Thank you for your prompt response to this request

Sincerely,



Linda A. Jaress
Executive Consultant III

LAJ:nms