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ARIZONA CORPORATION COMMISSION

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AZ CORP COMMISSION  
DOCKET CONTROL

January 18, 2002

Arizona Corporation Commission

DOCKETED

JAN 21 2002

Mark Pavol  
270 South Main Street  
Flemington, NJ 08822

DOCKETED BY	
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RE: Staff's Letter of Sufficiency and First Set of Data Requests to X2Comm, Inc. dba DC Communications  
Docket No. T-04075A-01-1009

Dear Mr. Pavol:

On December 24, 2001, X2Comm, Inc. dba DC Communications filed an application for a Certificate of Convenience and Necessity ("CC&N") to provide resold long distance, resold local exchange, facilities-based long distance, and facilities-based local exchange telecommunication services in the State of Arizona. Your application is not sufficient. This data request is prepared in the format of an Application form used to request a CC&N to provide resold and/or facilities-based telecommunications services in Arizona. The form lists the information Staff needs to complete its analysis of your application. Please treat this Application form, as Staff's first and only data request to be sent to X2Comm, Inc. dba DC Communications in the above-referenced matter.

For purposes of this data request, the words "X2Comm", "Applicant", "the Company", "you", and "your" refer to X2Comm, Inc. dba DC Communications and any representative, including every person and/or entity acting with, under the control of, or on behalf of X2Comm, Inc. dba DC Communications. For each answer, please identify by name, title, and address each person providing information that forms the basis for the response provided.

Your answers to the items on the form or any documents supplied in response to this data request should be supplemented with any additional information or documents that come to your attention after you have provided your initial responses.

Please provide Docket Control with the information being requested within **60 days** of the date of this letter. Mail your CC&N Application (original plus 10 copies) to Docket Control, Arizona Corporation Commission, 1200 W. Washington Street, Phoenix, AZ 85007-2927. If no response is received, Staff will recommend that your CC&N Application be denied. If the CC&N

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Application is denied, the Applicant cannot provide the same telecommunications services in Arizona for which it is currently applying, until such time as a new application is filed with and approved by the Arizona Corporation Commission.

Remember that information submitted for a CC&N will be made a part of the public record (including financial statements). Any information designated as confidential will not be accepted by Docket Control. If you have any questions, please contact me at (602) 542-0856. Thank you for your prompt response to this request.

Respectfully,



John Bostwick

Administrative Services Officer II

Enclosures

STAFF'S DATA REQUEST TO  
X2COMM, INC. DBA DC COMMUNICATIONS  
DOCKET NO. T-04075A-01-1009

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**Make sure each numbered item and each part of the item is answered completely. Please do not change the number of the item when responding to the numbered item. In order for Staff to review of your Application, the following information must be provided:**

1. You indicate that you want to provide the following type of telecommunications services in Arizona. Please answer the appropriate numbered items.

- Resold long distance services (answer items 1 - 24 and items 25 - 35)
- Resold local exchange services (answer items 1 - 24 and items 36 - 46)
- Facilities-based long-distance services (answer items 1 - 24 and items 47 - 58)
- Facilities-based local exchange services, voice and/or data (answer items 1 - 24 and items 59 - 78)

2. You provided the names of owners that own 60% of the Company. Please provide the names of all owners of the Company in Attachment "A" and;

Provide their respective percentages of ownership in Attachment "A".

3. Please provide us with a copy of your proposed tariffs as Attachment "B".

Indicate by reference to page number(s) the proposed rates and charges for each service to be provided.

Indicate by reference to page number(s) the tariff (maximum) rate as well as the price to be charged.

*(Note: If no maximum rates are indicated, then the current prices on file will be considered current and maximum rates.)*

Indicate by reference to page number(s) the terms and conditions that will apply to provision of the service(s) by your Company.

Indicate by reference to page number(s) the deposits, advances, and/or prepayments that will apply to provision of the service(s) by your Company.

*(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 procedures to make price list changes that result in rates that are higher than the tariff rate.)*

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4. Please indicate if your Company, X2Comm, Inc. dba DC Communications, has financial statements for the two most recent years.

If "no", explain why and give the date your Company began operations.

5. You provided financial information on Direct Connect Communications. See your Attachment "C". Your application indicates that X2Comm, Inc. dba DC Communications is the Applicant. Please provide financial information about the Applicant, X2Comm, Inc. dba DC Communications.

Provide us with a copy of your Company's balance sheet in Attachment "C".

Provide us with a copy of your Company's income statement in Attachment "C".  
Provide us with a copy of your Company's audit report (if audited) in Attachment "C".

Provide all related notes to these financial statements for the two most recent years that your Company has been in business in Attachment "C".

6. Please provide retained earnings account information on the balance sheet or on a separate sheet in Attachment "C".
7. Please indicate if your Company is a subsidiary.

If "yes", provide a copy of your Parent Company's financial statements, in addition to your Company's financial statements, in Attachment "C".  
Repeat items 4, 5 and 6 for your Parent Company. Make sure answers furnished by your Parent Company satisfy each item and request for information.

8. Please indicate if your Company intends to rely on the financial resources of its Parent Company.

If "yes", provide a written statement from your Parent Company attesting that it will provide complete financial backing if your Company experiences a net loss or business failure. The statement should also affirm that it will guarantee repayment of customers' advances, prepayments, or deposits held by your Company if, for some reason, your Company cannot provide service or repay the deposits.

9. Please submit copies of affidavits of publications that the Company has, as required, published legal notice of the application in all counties where services will be provided. Prior to the issuance of a CC&N, the Applicant is to complete

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and submit the following:

No response was made to this item in your Application.

A correspondence letter. Refer to the Sample Correspondence Letter in the Legal Notice Material;

Affidavits of publication form. Refer to the Sample Proof of Publication and an Affidavit of Publication in the Legal Notice Material; and

The actual copy of your Company's published Legal Notice as noted in the Legal Notice Material.

*(Note: Use the Sample Legal Notice For Resold Telecommunications Services to provide resold long distance and/or resold local exchange telecommunications services. Use the Sample Legal Notice For Facilities-Based Telecommunications Services to provide facilities-based and resold local exchange, long distance and access exchange telecommunications services. If your Application requests facilities-based telecommunications services, instructions for preparing and issuing a Legal Notice will be ordered by the Hearing Division at a later date. All material for preparing and filing Legal Notice in the newspapers is available at the end of item number 78).*

10. Please provide us with a copy of the resale agreement or contract between your Company and the applicable local exchange service provider. All applications for resold long distance telecommunications services must include a resale agreement or contract as Attachment "F".

Your response stated to "See Attachment F". No Attachment F was submitted with the Application.