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2006 JUN 26 P 3:13

June 26, 2006
AZ CORP COMMISSION
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Mr. Brett Ferenchak
Swidler Berlin, LLP
3000 K Street N.W., Suite 300
Washington, D.C. 20007-5116

RE: Staff's Letter of Insufficiency and Second Set of Data Requests to ATX Licensing, Inc.
Docket No. T-04310A-05-0127

Dear Mr. Ferenchak:

On February 28, 2005, ATX Licensing, Inc. ("ATX") filed an application for a Certificate of Convenience and Necessity ("CC&N") to provide telecommunications services in Arizona. The Application submitted is not sufficient. This data request lists the information Staff needs to complete its analysis of your Application.

For purposes of this data request set, the words "ATX", "Applicant", "the Company", "you", and "your" refer to ATX Licensing, Inc., any representative, including every person and/or entity acting with, under the control of, or on behalf of ATX Licensing, Inc. **For each answer, please identify by name, title, e-mail address, telephone number and address each person providing information that forms the basis for the response provided.**

These data requests are continuing, and your answers or any documents supplied in response to these data requests should be supplemented with any additional information or documents that come to your attention after you have provided your initial responses. Also, please make sure all information you provide in response to item(s) concerning this Application, including Staff's data requests, is updated and current. If you need to update your response to any item(s)/request(s), please reference the item(s)/request(s) and provide your current response(s).

Please provide Docket Control with the information being requested within **30 days** of the date of this letter. Mail an Original plus 13 copies to Docket Control, Arizona Corporation Commission, 1200 W. Washington Street, Phoenix, AZ 85007-2927. If no response is received, Staff will recommend that the Application be terminated. If the Application is terminated, 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 Commission.

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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 F. Bostwick
Administrative Services Officer II
Utilities Division

Enclosure(s)

CC: Docket Control (Original and Thirteen Copies)

STAFF'S SECOND SET OF DATA REQUESTS TO
ATX LICENSING, INC.
DOCKET NO. T-04310A-05-0127

Please make sure each numbered item and each part of the item is answered completely. If it is not, Staff will resubmit the numbered item(s) and/or part(s) of the item in a following data request. Also, please make sure all information you provide in response to item(s) concerning this Application, including Staff's data requests, is updated and current. If you need to update your response to any item(s)/request(s), please reference the item(s)/request(s) and provide your current response(s). In order for Staff to continue with its review of this Application, the following information must be submitted:

- JFB2-1. Please submit a PDF file of your responses to this data request to jbostwick@cc.state.az.us.
- JFB2-2. You have indicated that you want to provide facilities-based local exchange telecommunications services in Arizona. For each type of tariffed service, please answer the set of questions JFB1-3 through JFB1-7.
- JFB2-3. 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.
- JFB2-4. Please indicate why you believe that your range of rates is just and reasonable using a competitive market analysis. Your analysis should contain publicly available examples of tariff rates and charges charged by the incumbent and other carriers for similar services. Include and any other information that you believe demonstrates that your actual or proposed tariff rates and charges are just and reasonable. For a list of telecommunications carriers certificated in Arizona, go to www.cc.state.az.us/utility/utility. For a list of telecommunications carriers' tariff rates and charges, go to www.cc.state.az.us/utility/tariffs. Provide actual tariff pages or use a matrix format to show your actual or proposed tariff rates and charges. Then show each competitor's tariff rates and charges for comparable telecommunications services and/or calling plans. At a minimum, show tariff information of Qwest and three other competitors in Arizona. The material you provide should enable Staff to determine whether the tariff rates and charges of the Applicant are just and reasonable compared to other competitors offering the same or similar telecommunications services in Arizona. Provide all source documentation.
- JFB2-5. 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.

STAFF'S SECOND SET OF DATA REQUESTS TO
ATX LICENSING, INC.
DOCKET NO. T-04310A-05-0127

- JFB2-6. Please identify other states/jurisdictions in which your company or an affiliate provides facilities-based local exchange telecommunications services. Please specify, in a matrix format, the tariff rates and charges that your company and/or affiliate charges for local exchange telecommunications services in these other jurisdictions. If there is a difference between the tariff rates and charges that your company will charge in Arizona and the tariff rates and charges that your company and/or affiliate charges in other jurisdictions for local exchange telecommunications services: please identify and indicate the amount of the difference and explain why you are charging different tariff rates and charges in Arizona. The material you provide should enable Staff to determine whether these tariff rates and charges are identical or comparable to the tariff rates and charges charged in other jurisdictions. Provide all source documentation.
- JFB2-7. Please identify any other states/jurisdictions in which your company or an affiliate is **applying** to provide facilities-based local exchange telecommunications services. Please specify, in a matrix format, the tariff rates and charges that your company and/or affiliate will charge for local exchange telecommunications services in other jurisdictions. If there is a difference between the rates that your company will charge in Arizona and the tariff rates and charges that your company and/or affiliate will charge in other jurisdictions for local exchange telecommunications services, please identify and indicate the amount of the difference and explain why you intend to charge different tariff rates and charges in Arizona. The material you provide should enable Staff to determine whether these tariff rates and charges are identical or comparable to the tariff rates and charges that will be charged in other jurisdictions. Provide all source documentation.
- JFB2-8. Please submit a complete tariff setting forth your rates and charges. Do you intend to offer switched or special access services to other wholesale providers. If so, have you or do you intend to file an access tariff for these services?
- JFB2-9. Please confirm or deny that your company intends to provide service to both retail end-users and other carriers.
- JFB2-10. Please provide the Applicant's financial information for the two (2) most recent years. Provide copies of the Applicant's balance sheet, income statement, audit report, and retained earning balance. The most recent year ending should be for December 31, 2005.