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August 23, 2006

Arizona Corporation Commission
DOCKETED

AUG 23 2006

Maureen Scott, Staff Attorney
ARIZONA CORPORATION COMMISSION
1200 West Washington
Phoenix AZ 85007-2996

DOCKETED BY	NR
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Re: Late-filed exhibit (Docket Nos. T-20423A-05-0677, T-03401A-05-0677, T-02584A-05-0677, T-03188A-05-0677)

Dear Maureen:

At the hearing on August 14, 2006, the Commission requested Comtel Telcom Assets LP ("Comtel") to obtain financial statements of Comtel's holding companies and submit them as a late-filed exhibit. Comtel advised the Commission at the hearing that it would use its best efforts to obtain the requested financial statements and to meet with Staff regarding the same. Comtel, however, is unable to provide additional financial statements for the reasons below.

Comtel Assets Inc. and Comtel Assets Corp., the general and limited partners for Comtel, are not engaged in business activities and as a result, do not produce financial statements. There are no activities in these companies to reflect in entries in such statements, since the companies simply act as the partners for the operational company, Comtel. Furthermore, Sowood Commodity Partners Fund III LP ("Sowood"), majority shareholder of Comtel Assets Inc. and Comtel Assets Corp., is privately held, and its financial statements are likewise private. Given that Comtel is under Sowood in the corporate ownership structure, Comtel does not have access to Sowood's financial statements.

Comtel has recently submitted its financial statements as of June 30, 2006 to the Commission as a late-filed exhibit. Comtel is confident that these statements clearly demonstrate that Comtel has the financial strength necessary to serve existing and new customers within the state of Arizona. Notwithstanding the financial strength illustrated in the updated financial statements, Staff has already recommended approval of Comtel's acquisition of the assets of VarTec Telecom, Inc., Excel Telecommunications, Inc., and VarTec Solutions, Inc. and testified at the hearing that the transaction was in the public interest.

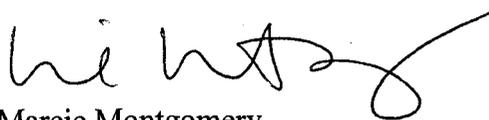
Based on the information provided herein, all matters of the record in this proceeding, and as supported by Comtel's June 2006 financial statements, Comtel requests that the

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Commission move forward with the Application and prepare the Recommended Opinion and Order based upon Comtel's own financial resources.

Very truly yours,

Snell & Wilmer



Marcie Montgomery

cc: Yvette B. Kinsey, Administrative Law Judge
Chris Kempley, Chief Counsel
Ernest G. Johnson, Director
Docket Control