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June 2, 2008

Arizona Corporation Commission  
Docket Control  
1200 W. Washington Street  
Phoenix, AZ 85007-2927

Arizona Corporation Commission  
**DOCKETED**

JUN 03 2008

DOCKETED BY *NR*

**Re: Docket Nos. T-20517A-07-0135 and T-04045A-07-0135,  
Joint Application of STi Prepaid, LLC and Dialaround Enterprises Inc.  
Response to Second Data Request**

Dear Sir or Madam:

STi Prepaid, LLC ("STi Prepaid"), by its attorneys, provides an original and fourteen (14) copies of its response to Staff's Second Data Request in the above-referenced docket. Please date stamp the enclosed copy of this response and return it in the self-addressed, postage pre-paid envelope. If you have any questions concerning this matter, please contact the undersigned.

Respectfully submitted,

Chérie R. Kiser

Counsel for STi Prepaid, LLC

Enclosures

cc: John Bostwick (via electronic mail)

**RECEIVED**  
2008 JUN - 3 P 2: 08  
AZ CORP COMMISSION  
DOCKET CONTROL

RESPONSE TO STAFF'S SECOND SET OF DATA REQUESTS TO  
STi PREPAID, LLC  
DOCKET NOS. T-20517A-07-0135 and T-04045A-07-0135

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~~RECEIVED~~

STi Prepaid, LLC ("STi Prepaid"), hereby responds to Staff's Second Set of Data Requests issued in the above-referenced dockets. STi Prepaid's responses to these Data Requests are based on the best information presently available. STi Prepaid reserves the right to amend, supplement, correct, or clarify any response provided herein if other or additional information is obtained. STi Prepaid has listed each interrogatory and response on the same sheet of paper, using a separate sheet for each interrogatory number, and has identified the respondent to each question. STi Prepaid's responses are as follows:

2008 JUN -3 P 2: 08

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**JBF 2-1.** If STi Prepaid, LLC ("STi Prepaid") receives a CC&N to provide resold long distance telecommunications and Dialaround Enterprises Inc. ("DEI") receives approval to transfer its assets to STi Prepaid and cancel its CC&N in Arizona, what will be the official name of the new entity? Applicants stated in the cover letter that STi Prepaid will operate under the fictitious name of DEI. Then Applicants stated in Response to Staff Data Request JFB 1-5, that DEI will not provide telecommunications services in Arizona. Also, Applicants registered a trade name or d/b/a of Dialaround Enterprises for STi Prepaid. Will the official name of the new entity be STi Prepaid, LLC d/b/a Dialaround Enterprises? If not, please provide the official name of the new entity.

**STi Prepaid**

**Response:** The official name of the new entity will be STi Prepaid, LLC. In other states, Dialaround Enterprises Inc. sold prepaid calling cards that listed Dialaround Enterprises, Dialaround, or DEI as the entity providing the prepaid calling card service. After consummation of the transaction, STi Prepaid will continue to service any prepaid calling cards remaining in the market. STi Prepaid obtained "trade name" or "d/b/a" authority to use Dialaround Enterprises, Dialaround and DEI solely to ensure that these names were associated with STi Prepaid for consumer inquiry purposes in the event a consumer inquired about prepaid calling cards utilizing these names that were issued prior to the pending transaction. STi Prepaid will not market service under these names or hold itself out generally to provide service under these names.

**Respondent:** Richard Rebetti  
Chief Operating Officer, STi Prepaid, LLC  
30-50 Whitestone Expressway, 4<sup>th</sup> Floor  
Flushing, New York 11354-1995  
718-358-5390 (telephone)  
Richard.Rebetti@stiprepaid.com

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**JBF 2-2.** Please provide a complete copy of the DEI's tariff currently being used in Arizona that was approved in Decision No. 65861 dated April 25, 2003. Will STi Prepaid honor the tariff rates currently in use by DEI? Also, will all outstanding prepaid calling cards issued by DEI be honored by STi Prepaid?

**STi Prepaid  
Response:**

As indicated in its response to JFB 1-15, the proposed tariff filed with STi Prepaid's application is the same tariff approved by the Commission in Decision No. 6581 dated April 25, 2003. STi Prepaid will honor the tariff rates currently in use by DEI. DEI did not sell prepaid calling cards in Arizona. Prepaid calling cards listing DEI as the service provider may have been sold in other states. To the extent there are any prepaid calling cards in the market listing DEI as the service provider, STi Prepaid will honor those cards at the same rates, terms, and conditions listed on the card and in DEI's tariff.

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Chief Operating Officer, STi Prepaid, LLC  
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**JBF 2-3.** In Item No. (A-19), STi Prepaid did not list the key personnel that will be employed by STi Prepaid. Please indicate each employee's name, title, position, description of their work experience, and years of service in the telecommunications services industry.

**STi Prepaid**

**Response:** Below is biographical information for the key personnel that will be employed by STi Prepaid.

**James V. Continenza** is the President of STi Prepaid, LLC. Mr. Continenza currently sits on the Board of Directors of several companies including Anchor Glass Container Corp, Inc., RURAL CELLULAR CORP, Inc., MAXIM Crane Works, Inc., and U.S.A. Mobility, Inc. Mr. Continenza has worked in the telecommunications industry for six (6) years starting in June of 2002 when started as Director of Arch Wireless, Inc. He also served as CEO, President and Director of Teligent, Inc. and a Director of Microcell Telecommunications, Inc. Mr. Continenza also worked as an independent consultant contracted by FTI Consulting to assist companies in the telecommunications sector.

**Richard Rebeti** is Chief Operating Officer of STi Prepaid, LLC. Mr. Rebeti also serves as Senior Vice President of Switched Services of Dialaround Enterprises Inc. He is currently responsible for Information Systems, Customer Service, Quality Assurance, Mobile Activation, Care and Support. Mr. Rebeti was a co-founder of North American Telecommunications Corp. ("NATC") a competitive local exchange carrier, where he was responsible for information systems, internet services, service delivery and operational support systems, billing, corporate marketing and client care from September of 1997 through February of 2001. Prior to working for NATC, Mr. Rebeti worked for RSL COM, U.S.A., Inc., formally ITC, a long distance and prepaid calling card company. He was a co-founder of ITC and was responsible for setting up and managing the accounting and billing departments. Mr. Rebeti was also President of RSL Com PriceCall, Inc. the prepaid calling card division of RSL COM, U.S.A., Inc. where he increased annualized revenue from \$4,000,000 in 1995 to \$40,000,000 in 1997. Mr. Rebeti has a Bachelors of Science Degree in Finance and an Advanced Professional Certificate in Accounting from St. John's University, New York, as well as a Masters of Business Administration in Management from City University of New York, Baruch College.

**Edward McLaughlin** currently holds the position of Senior Vice President of the Network Operations Department of STi Prepaid, LLC. Mr. McLaughlin's has held several telecom positions including Executive Vice President, Global Operations for Level 3 and Senior Vice President, Network Operations at WilTel. Prior to his position at WilTel, Mr. McLaughlin was Vice President of Network Engineering and Planning at WilTel.

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**JBF 2-4.** In STi Prepaid's Response to Staff Data Request JFB 1-1, STi Prepaid stated that it intends to offer "Switched Access Service." In Arizona, we consider switched access service as being either private line or point to point service. Also, in STi Prepaid's Response to Staff Data Request JFB 1- 16 and JFB 1-20 in Exhibit B STi Prepaid referred to switched access and interexchange services and outbound direct access. Is STi Prepaid leasing a line for direct access? In addition, STi Prepaid's Response to Staff Data Request JFB 1-24 indicates that STi Prepaid does not intend to offer switched access services to other carriers or providers. Please clarify the resold interexchange telecommunications services STi Prepaid will provide in Arizona.

**STi Prepaid**

**Response:**

STi Prepaid initially will focus on marketing the dial-around (10-10) interexchange and prepaid calling card services in Arizona. STi Prepaid, however, has sought full authority to offer all types of interexchange service in Arizona. Thus, STi Prepaid's proposed tariff (identical to the one approved by the Commission for Dialaround) contains additional interexchange services other than dial-around and prepaid calling card services. STi Prepaid's proposed "outbound direct access" service is an outbound only, long distance pricing plan for customers that utilize self-provided dedicated access to reach STi Prepaid's switch (see proposed tariff page 43). This service is available to business customers. STi Prepaid would not "leas[e] a line for direct access" – the customer would be responsible for obtaining the "line" in connection with that service offering. STi Prepaid will not sell switched access services to other carriers or providers. STi Prepaid has characterized its service offerings as "resold" because STi Prepaid is not a facilities-based carrier in Arizona.

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**JBF 2-5.** In the cover letter of the Application, the Applicants state that STi Prepaid will continue to provide that same services in Arizona that are currently provided by DEI. The transfer is not expected to result in any loss or impairment of services to any consumers. Consumers will not notice a change in service or service provider. Will the consumer notice any change in tariff rates? If not, please describe how the consumer will not notice any tariff changes in rates.

**STi Prepaid**

**Response:** No, the consumer will not notice any tariff changes in rates. The proposed tariff filed by STi Prepaid is identical to the one approved by the Commission in connection with its approval of Dialaround's CC&N. STi Prepaid will provide service in Arizona pursuant to the same rates, terms, and conditions as contained in the DEI tariff previously approved by the Commission.

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