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ORIGINAL



The CommLaw Group

HELEIN & MARASHLIAN, LLC
1420 Spring Hill Road
Suite 205
McLean, Virginia 22102

Telephone: (703) 714-1300
Facsimile: (703) 714-1330
E-mail: mail@CommLawGroup.com
Website: www.CommLawGroup.com

Writer's Direct Dial Number
703-714-1319

Writer's E-mail Address
mpd@commlawgroup.com

December 29, 2009

Via Overnight Courier

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

RECEIVED
2009 DEC 30 P 2:02
AZ CORP COMMISSION
DOCKET CONTROL

**Re: Docket No. T-20710A-09-0530 - Grasshopper Group, LLC
Response to Staff First Set of Data Requests**

Dear Sir or Madam:

Grasshopper Group, LLC ("Applicant" or the "Company"), through undersigned counsel, hereby submits its response to Staff First Set of Data Requests.

An additional copy of this transmittal letter is also enclosed, to be date-stamped and returned in the postage prepaid envelope provided. Should there be any questions regarding this matter, kindly contact the undersigned.

Respectfully submitted,

Michael P. Donahue
Regulatory Counsel

cc: Pamela Genung (via email)

Enclosures

Arizona Corporation Commission
DOCKETED

DEC 30 2009



**ARIZONA CORPORATION COMMISSION
STAFF'S FIRST SET OF DATA REQUESTS TO
GRASSHOPPER GROUP, LLC
DOCKET NO. T-20710A-09-0530**

PJG 1-1: Please indicate the number of years of experience in the telecommunications industry for each of the four managers/members that were named in Attachment A of the Company's Application. Those manager/members include Siamak Taghaddos, David Hauser, Dominic Schiavone, and Mohammed Taghaddos.

Response: The managers/members of Grasshopper Group, LLC have a combined 40 years experience in the telecommunications industry. Siamak Taghaddos has 9 years telecommunications management experience; David Hauser has 9 years telecommunications experience; Dominic Schiavone has 17 years telecommunications experience and Mohammed Taghaddos has 5 years telecommunications experience.

Respondent

Don Schiavone
Vice President of Operations
197 1st Avenue, Suite 200
Needham, Massachusetts 02494

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PJG 1-2: Is Grasshopper Group currently providing **intrastate** long distance telecommunications services in other states? If so, please list the states.

Response: Grasshopper Group, LL is providing intrastate long distance services in Colorado, Florida, Georgia, Michigan, New Jersey, New York, North Carolina, Ohio, Utah, Texas, Washington, and Virginia.

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PJG 1-3: Based on proposed tariff language at 2.7, on Original Sheet No. 12 in Arizona C.C. No. 1, as provided by the Company in its Application, monthly recurring charges will be billed in advance of the month of usage. If a customer decides to cancel two weeks into the month and provides the appropriate written notice to the Company, please explain whether that customer will be issued a credit for any unused minutes for which the customer was previously billed in advance.

Response: The customer would not be issued a credit in the example provided. Customers prepay for their subscription on a monthly basis. If they cancel mid-month, they are not provided a refund or credit of a prorated amount of the subscription.

This approach is consistent with the manner in which Grasshopper Group, LLC ("Grasshopper") handles a customer's monthly usage. Grasshopper does not provide credit for unused prepaid minutes, regardless of whether a customer cancels or not. For example, if a customer does not use all of the minutes included in their service plan for a given month, they lose them the next month.

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PJG 1-4: In items B-2 and B-4 of its Application, Grasshopper Group requests that its financial information be treated as confidential. In order for Staff to treat an Applicant's financial information as confidential, an Applicant must clearly justify its request in writing and agree to accept Staff's standard confidentiality agreement without change. Following satisfactory review of the Applicant's reasons for requesting confidential treatment, Staff will provide the Applicant with a standard confidentiality agreement. Should Staff agree to confidential treatment, Grasshopper Group will, nonetheless, still be required to allow Staff to include four figures in its Staff Report – Net Income, Total Assets, Total Equity, and the Net Book Value of all Arizona jurisdictional assets.

If Grasshopper still requests a confidentiality agreement, please clearly explain the reasons for such treatment. Otherwise, please submit the financial information as requested in items B-2 and B-4 in response to this data request.

Response: Grasshopper Group, LLC ("Grasshopper") requests a confidentiality agreement and in support of its request, states as follows:

1. Grasshopper is a privately-held company and is not required to file financial information with the United States Securities and Exchange Commission or any other agency and does not otherwise disclose its financial information to the public.
2. Grasshopper uses its best efforts to keep and maintain the confidentiality of its financial information. To the best of Grasshopper's knowledge, its financial information has not been disclosed or released to the public.
3. Disclosure of the Company's financial information to competitors, or potential competitors, could put Grasshopper at a competitive disadvantage relative to other companies in the competitive telecommunications industry and, therefore, would be detrimental to Grasshopper.
4. Due to the sensitive nature of the Company's financial information, it is appropriate for the Commission to limit access to it. The information should be used by the Commission solely to assist in its review of the merits of Grasshopper's application. There is no legitimate purpose or public interest to be served in disclosing or otherwise releasing the information to the public.

Grasshopper is willing to provide its financial information to Staff, pursuant to Staff's standard confidentiality agreement and solely for the purpose of reviewing Grasshopper's application. Grasshopper agrees to Staff's use of

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Grasshopper's Net Income, Total Assets, Total Equity, and the Net Book Value of all Arizona jurisdictional assets.

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PJG 1-5: Please correct the contact person's name and email address in the last paragraph of Grasshopper Group's legal notice to: Shaylin Bernal (remove name Shelley Hood) and update the email address to SBernal@azcc.gov (remove email address shood@cc.state.az.us). This information can also be found on the Commission's website at <http://www.azcc.gov/acc/>.

Please publish the legal notice and as requested in item A-16 of the Application, submit copies of affidavits of publication indicating that Grasshopper Group has published legal notice in all the counties where the authority to provide service is requested.

Response: Grasshopper Group, LLC ("Grasshopper") corrected the legal notice. A revised version is attached to this response as Attachment 1.

Grasshopper also published the revised legal notice as requested in item A-16 of the Application. Attached hereto as Attachment 2 is an Affidavit of Publication demonstrating Grasshopper's compliance with this requirement.

Respondent

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ATTACHMENT 1 TO PJG-1-5

Revised Legal Notice

**NOTICE OF APPLICATION FOR A CERTIFICATE OF
CONVENIENCE AND NECESSITY TO PROVIDE COMPETITIVE
RESOLD INTEREXCHANGE TELECOMMUNICATIONS
SERVICES BY GRASSHOPPER GROUP, LLC**

Grasshopper Group, LLC ("Applicant") has filed with the Arizona Corporation Commission ("Commission") an application for a Certificate of Convenience and Necessity ("Certificate") to provide competitive resold interexchange telecommunications services in the State of Arizona. Applicant will be required to provide this service under the rates and charges and terms and conditions established by the Commission.

A.R.S. § 40-282 provides that the Commission may act on an application for a Certificate to provide resold telecommunications services without a hearing, or with a hearing, if one is requested by any party. Applicant or any other party must request a hearing within twenty (20) days of the date of this notice, or the Commission will rule on the application without a hearing.

The application, report of the Commission's Utilities Division Staff, and any written exceptions to the Staff report prepared by the Applicant are available for inspection during regular business hours at the offices of the Commission located at 1200 West Washington Street, Phoenix, Arizona, 85007, and at Grasshopper Group, LLC, 197 1st Avenue, Suite 200, Needham, Massachusetts 02494.

Under appropriate circumstances, interested parties may intervene in the proceedings, and participate as a party. Intervention shall be in accordance with the A.A.C. R 14-3-105, except that all motions to intervene must be filed on or within twenty (20) days of the date of this notice. You may have the right to intervene in the proceedings, or you may make a statement for the record. If you have any comments, mail them to:

The Arizona Corporation Commission
Attention: Docket Control
Re: Grasshopper Group, LLC
Docket No. T-20710A-09-0530
1200 West Washington Street
Phoenix, Arizona 85007

All Comments should be received within twenty (20) days of the date of this notice. If you have any questions about this application or have any objections to its approval, you may contact the Consumer Services Section of the Commission at 1200 West Washington Street, Phoenix, Arizona, 85007, or call 1-800-222-7000.

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request reasonable accommodations such as sign language interpreter, as well as request this document in an alternative format, by contacting Shaylin Bernal, ADA Coordinator, voice phone number (602) 542-3931, E-Mail SABernal@azcc.gov. Requests should be made as early as possible to allow time to arrange the accommodation.

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ATTACHMENT 2 TO PJG 1-5

Affidavit of Publication

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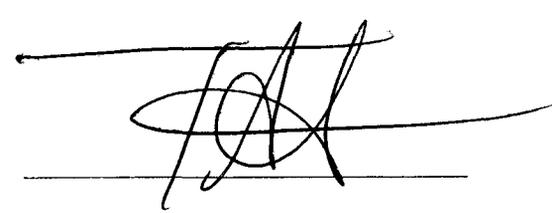
THE ARIZONA REPUBLIC

STATE OF ARIZONA }
COUNTY OF MARICOPA } SS.

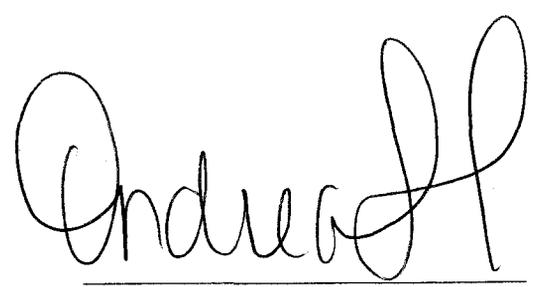
Tabitha Antoniadis, being first duly sworn, upon oath deposes and says: That he is a legal advertising representative of the Arizona Business Gazette, a newspaper of general circulation in the county of Maricopa, State of Arizona, published at Phoenix, Arizona, by Phoenix Newspapers Inc., which also publishes The Arizona Republic, and that the copy hereto attached is a true copy of the advertisement published in the said paper on the dates as indicated.

The Arizona Republic

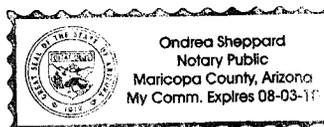
December 21, 2009.



Sworn to before me this
21ST day of
December A.D. 2009



Notary Public



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PJG 1-6: Please specify the rates that Grasshopper Group or an affiliate will charge for similar services in the other states in which Grasshopper Group has been approved to provide service. If there is a difference between the rates you're your Company will charge in Arizona and the rates your Company will charge in the other states/jurisdictions for similar service, please identify and indicate the amount of the difference and explain why you are charging different rates in Arizona. *(See Attachments C and C – By State) (For Applicant's ease, an excel file can be provided by contacting Pamela Genung at pgenung@azcc.gov).*

Response: Grasshopper Group, LLC's rates are the same in every state. Therefore, customers in Arizona will not be charged different rates than customers in any other state/jurisdiction.

Respondent

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Vice President of Operations
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