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Transcript Exhibit(s)

Docket #(s): T-20756A-10-0345

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Exhibit #: S1, R1-R3

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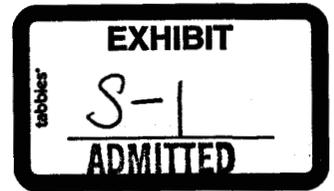
Arizona Corporation Commission  
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ORIGINAL

MEMORANDUM



TO: Docket Control

FROM: Steven M. Olea  
Director  
Utilities Division

DATE: June 2, 2011

RE: IN THE MATTER OF THE APPLICATION OF RE-INVENT TELECOM, LLC  
FOR APPROVAL OF A CERTIFICATE OF CONVENIENCE AND  
NECESSITY TO PROVIDE TELECOMMUNICATION SERVICES (DOCKET  
NO. T-20756A-10-0345)

Attached is the Staff Report for the above referenced application. The Applicant is applying for approval to provide the following services:

- Resold Long Distance Services
- Facilities Based Long Distance Services
- Resold Local Exchange Services
- Facilities Based Local Exchange Services
- Private Line Services

Staff is recommending approval of the application with conditions.

SMO:AFF:red

Originator: Armando Fimbres

Attachment: Original and Thirteen Copies

Arizona Corporation Commission  
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JUN 2 2011

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AZ CORP COMMISSION  
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SERVICE LIST FOR: RE-INVENT TELECOM, LLC  
DOCKET NO. T-20756A-10-0345

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STAFF REPORT  
UTILITIES DIVISION  
ARIZONA CORPORATION COMMISSION

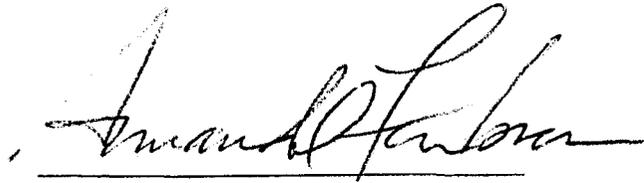
RE-INVENT TELECOM, LLC  
DOCKET NO. T-20756A-10-0345

IN THE MATTER OF THE APPLICATION OF RE-INVENT TELECOM, LLC FOR  
APPROVAL OF A CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE  
TELECOMMUNICATION SERVICES.

JUNE 2, 2011

## STAFF ACKNOWLEDGMENT

The Staff Report for Re-Invent Telecom, LLC, Docket No. T-20756A-10-0345, was the responsibility of the Staff member listed below. Armando Fimbres was responsible for the review and analysis of the application for a Certificate of Convenience and Necessity to provide resold long distance, facilities-based long distance, resold local exchange; facilities-based local exchange; private line services and petition for a determination that its proposed services should be classified as competitive.

A handwritten signature in black ink, appearing to read "Armando Fimbres", written over a horizontal line.

Armando Fimbres  
Public Utility Analyst V

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## **1. INTRODUCTION**

On August 20, 2010, Re-Invent Telecom, LLC (“Re-Invent” or “Applicant” or “Company”) filed an application for a Certificate of Convenience and Necessity (“CC&N”) to provide resold long distance, facilities-based long distance, resold local exchange, facilities-based local exchange services and private line services on a statewide basis in the State of Arizona. The Applicant petitioned the Arizona Corporation Commission (“ACC” or “Commission”) for a determination that its proposed services should be classified as competitive.

On December 17, 2010, Re-Invent filed the State of Arizona Certificate of Good Standing to supplement the certificate filed with its CC&N application. On January 5, 2011, Re-Invent submitted financial statements pursuant to Staff’s protective agreement dated September 9, 2010. On February 10, 2011, Re-Invent submitted a revised tariff following discussions with Staff on specific tariff matters. Re-Invent responded to Staff’s First Set of Data Request to provide confirmation of its intentions to serve local exchange users directly on March 2, 2011.

Staff’s review of this application addresses the overall fitness of the Applicant to receive a CC&N. Staff’s analysis also considers whether the Applicant’s services should be classified as competitive, if the Applicant’s initial rates are just and reasonable and if approval of the Applicant’s CC&N should be conditioned.

## **2. REQUESTED SERVICES**

Saddleback Communications Company (“Saddleback”), a Division of the Salt River Pima-Maricopa Indian Community, is the parent of Re-Invent. Saddleback provides telecommunications services within the geographic boundaries of the Salt River Pima-Maricopa Indian Community. Re-Invent will not provide telecommunications services within the geographic boundaries of the Salt River Pima-Maricopa Indian Community.

Re-Invent’s CC&N application requested statewide authority to provide residence and business telecommunications services. The revised tariff submitted by Re-Invent limits its proposed services to business customers and does not include references to residential service. Re-Invent’s ACC Tariff No. 1 contains terms and conditions for the proposed local exchange, long distance and private lines services for which the CC&N application filed on August 20, 2010, seeks authority.

## **3. TECHNICAL CAPABILITY TO PROVIDE THE REQUESTED SERVICES**

The CC&N application in this matter states that Re-Invent was formed on May 12, 2010 and that Re-Invent has not applied to provide telecommunications services in states other than Arizona. Re-Invent’s parent, Saddleback, is a federally regulated Incumbent Local Exchange Carrier (“ILEC”) that provides residential and business telecommunications services, similar to those proposed by Re-Invent, within its authorized territory. Saddleback was founded in 1997 by the Salt River Pima-Maricopa Indian Community with a mission to upgrade and enhance the

quality of telephone, data and Internet services for the residents and businesses on the Community.<sup>1</sup>

The U.S. federal trademark registration filed by Re-Invent on September 21, 2010 describes the goods and services provided by Re-Invent as hosted Internet Protocol ("IP") business telephone service comprising local telephone service, private branch exchange ("PBX") calling features and enhanced messaging capabilities; hosted IP PBX business services to wholesale customers for reselling to end-user clients in selected markets, local connectivity to the public switched telephone network to deliver voice traffic to customer through a net protocol conversion to an IP format further comprising session initiation protocol signaling using voice over the internet protocol ("VoIP"). Based on a Marketwire announcement<sup>2</sup> dated November 3, 2010, Staff understands that Re-Invent is now selling its parent's IP services in all 50 states through authorized resellers.

The officers of Re-Invent are the officers of Saddleback and as such have at least 13 years of ILEC operations experience. Based on the information submitted by the Applicant and additional Staff research, Staff believes that Re-Invent possesses the technical capabilities to provide the services it is requesting the authority to provide and if needed has access to additional capabilities through its parent, Saddleback.

#### **4. FINANCIAL CAPABILITY TO PROVIDE THE REQUESTED SERVICES**

Re-Invent was formed on May 12, 2010. As such, Re-Invent was unable to submit the financials requested in a CC&N application. In response to question B-3 of the CC&N application, Re-Invent responded that it could rely on the assets of its parent, Saddleback Communications Company, if necessary. Although Saddleback remains the parent of Re-Invent, Re-Invent in its January 5, 2011 submission to Staff, stated that it intends to rely on its own financial assets in support of the CC&N application filed on August 20, 2010. Pursuant to the protective agreement dated September 9, 2010, Re-Invent submitted unaudited financials for November 30, 2010 and Budgeted (forecasted) financials for September 30, 2011.

For the period ending November 30, 2010, Re-Invent reported Total Assets of \$335,929; Shareholder Equity of \$286,569; and Net Income of negative \$15,864. However, modest financials for an entity in operation for only a few months are not unusual.

The Applicant lists conditions under which advance payments may be required for services in its proposed Tariff No. 1, Section 2.5. Staff believes that advances, deposits, and/or prepayments received from the Applicant's customers should be protected by the procurement of either a performance bond or an Irrevocable Sight Draft Letter of Credit ("ISDLC"). The Applicant should be granted the discretion to procure either the performance bond or the ISDLC. Since the Applicant is requesting a CC&N for more than one kind of service, the amount of a

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<sup>1</sup> <http://www.saddlebackcomm.com/about-us>

<sup>2</sup> <http://www.premiumpresse.de/toshiba-and-saddleback-certify-interopability-of-strata-cix-voip-systems-with-saddlebacks-wholesale-hosted-sip-trunking-services-PR996663.html>

performance bond or the ISDLC for multiple services is an aggregate of the minimum bond or the ISDLC amount for each type of telecommunications service requested by the Applicant. The Commission's current performance bond or ISDLC requirements are \$10,000 for resold long distance (for those resellers who collect deposits, advances or prepayments), \$25,000 for resold local exchange, \$100,000 for facilities-based long distance and \$100,000 for facilities-based local exchange services. Based on the services the Applicant is requesting authority to provide, the minimum recommended performance bond or ISDLC should be \$235,000. The performance bond or ISDLC coverage needs to increase in increments equal to 50 percent of the total minimum performance bond or ISDLC amount when the total amount of the deposits is within 10 percent of the total minimum performance bond or ISDLC amount. Further, measures should be taken to ensure that the Applicant does not discontinue service to its customers without first complying with Arizona Administrative Code ("A.A.C.") R14-2-1107.

Staff recommends that the Applicant procure a performance bond or the ISDLC equal to \$235,000. The minimum performance bond or the ISDLC amount of \$235,000 should be increased if at any time it would be insufficient to cover advances, deposits, and/or prepayments collected from the Applicant's customers. The performance bond or the ISDLC amount should be increased in increments of \$117,500. This increase should occur when the total amount of the advances, deposits, and prepayments is within \$23,500 of the performance bond or the ISDLC amount. If the Applicant desires to discontinue service, it must file an application with the Commission pursuant to A.A.C. R14-2-1107. Additionally, the Applicant must notify each of its customers and the Commission 60 days prior to filing an application to discontinue service. Failure to meet this requirement should result in forfeiture of the Applicant's performance bond or the ISDLC.

Staff further recommends that proof of the above mentioned performance bond or an ISDLC be docketed within 90 days of the effective date of a Decision in this matter or 10 days before the first customer is served, whichever comes first. Staff also recommends that the Company notify Staff through a compliance filing when it begins serving customers. The original bond or ISDLC should be filed with the Commission's Business Office and copies of the bond or ISDLC with Docket Control, as a compliance item in this docket. The performance bond or ISDLC must remain in effect until further order of the Commission. The Commission may draw on the bond or ISDLC on behalf of, and for the sole benefit of the Applicant's customers, if the Commission finds, in its discretion, that the Applicant is in default of its obligations arising from its Certificate. The Commission may use the bond or ISDLC funds, as appropriate, to protect the Applicant's customer and the public interest and take any and all actions the Commission deems necessary, in its discretion, including, but not limited to returning prepayments or deposits collected from the Applicant's customers.

## **5. ESTABLISHING RATES AND CHARGES**

The Applicant would initially be providing service in areas where an ILEC, along with various competitive local exchange carriers ("CLECs") and interexchange carriers are providing telephone service. Therefore, the Applicant would have to compete with those providers in order to obtain subscribers to its services. The Applicant would be a new entrant and would face

competition from both an incumbent provider and other competitive providers in offering service to its potential customers. Therefore, the Applicant would generally not be able to exert market power. Thus, the competitive process should result in rates that are just and reasonable.

Both an actual rate and a maximum rate may be listed for each competitive service offered. The rate charged for a service may not be less than the Company's total service long-run incremental cost of providing the service pursuant to A.A.C. R14-2-1109.

The rates proposed by this filing are for competitive services. In general, rates for competitive services are not set according to rate of return regulation. In section (B-4) of its application the Company provided a net book value or fair value rate base at the end of its first 12 months of operation estimated to be \$20,000. Re-Invent also provided a revenue projection of \$500,000 for fiscal year 2012.

Re-Invent submitted Tariff No. 1 with its application and submitted a revised Tariff No. 1 on February 10, 2011. Staff has reviewed these rates and believes they are comparable to the rates charged by CLECs, ILECs and major long distance carriers operating in the State of Arizona. The rate to be ultimately charged by the Company will be heavily influenced by the market. Therefore, while Staff considered the fair value rate base information submitted by the Company, the fair value rate base information provided should not be given substantial weight in this analysis.

## **6. LOCAL EXCHANGE CARRIER SPECIFIC ISSUES**

Issues related to the provision of Local Exchange service are discussed below.

### *6.1 Number Portability*

The Commission has adopted rules to address number portability in a competitive telecommunications services market. Local exchange competition may not be vigorous if customers, especially business customers, must change their telephone numbers to take advantage of a CLEC's service offerings. Consistent with federal laws, federal rules and A.A.C. R14-2-1308(A), the Applicant shall make number portability available to facilitate the ability of a customer to switch between authorized local carriers within a given wire center without changing their telephone number and without impairment to quality, functionality, reliability or convenience of use.

### *6.2 Provision Of Basic Telephone Service And Universal Service*

In response to Staff's First Set of Data Request, Re-Invent confirmed its intentions to provide services directly to local exchange users.

The Commission has adopted rules to address universal telephone service in Arizona. A.A.C. R14-2-1204(A) indicates that all telecommunications service providers that interconnect into the public switched network shall provide funding for the Arizona Universal Service Fund

("AUSF"). The Applicant will make the necessary monthly payments required by A.A.C. R14-2-1204(B).

### *6.3 Quality Of Service*

Staff believes that the Applicant should be ordered to abide by the quality of service standards that were approved by the Commission for Qwest (f/k/a USWC) in Docket No. T-01051B-93-0183 (Decision No. 59421). Because the penalties developed in that docket were initiated because Qwest's level of service was not satisfactory and the Applicant does not have a similar history of service quality problems, Staff does not recommend that those penalties apply to the Applicant. In the competitive market that the Applicant wishes to enter, the Applicant generally will have no market power and will be forced to provide a satisfactory level of service or risk losing its customers. Therefore, Staff believes that it is unnecessary to subject the Applicant to those penalties at this time.

### *6.4 Access To Alternative Local Exchange Service Providers*

Staff expects that there will be new entrant providers of local exchange service who will install the plant necessary to provide telephone service to, for example, a residential subdivision or an industrial park much like existing local exchange companies do today. There may be areas where the Applicant installs the only local exchange service facilities. In the interest of providing competitive alternatives to the Applicant's local exchange service customers, Staff recommends that the Applicant be prohibited from barring access to alternative local exchange service providers who wish to serve such areas. This way, an alternative local exchange service provider may serve a customer if the customer so desires. Access to other providers should be provided pursuant to the provisions of the 1996 Telecommunications Act, the rules promulgated there under and Commission rules on interconnection and unbundling.

### *6.5 911 Service*

The Commission has adopted rules to address 911 and E911 services in a competitive telecommunications services market. The Applicant has certified that in accordance with A.A.C. R14-2-1201(6)(d) and Federal Communications Commission 47 CFR Sections 64.3001 and 64.3002, it will provide all customers with 911 and E911 service, where available, or will coordinate with ILECs and emergency service providers to provide 911 and E911 service.

### *6.6 Custom Local Area Signaling Services*

Consistent with past Commission decisions, the Applicant may offer Caller ID provided that per call and line blocking, with the capability to toggle between blocking and unblocking the transmission of the telephone number, are provided as options to which customers could subscribe with no charge. Also, Last Call Return service that will not return calls to telephone numbers that have the privacy indicator activated, indicating that the number has been blocked, must be offered.

## 7. REVIEW OF COMPLAINT INFORMATION

The Applicant states that it has neither had an application for service denied, nor had its authority to provide service revoked in any state. There are, and have been, no formal complaint proceedings involving the Applicant. There have not been any civil or criminal proceedings against the Applicant. Consumer Services reports no complaint history within Arizona.

The Applicant indicated that none of its officers, directors or partners has been involved in any civil or criminal investigations, or any formal or informal complaints. The Applicant also indicated that none of its officers, directors or partners has been convicted of any criminal acts in the past ten (10) years. Staff's research did not reveal any issues related to the top officers in Re-Invent.

## 8. COMPETITIVE SERVICES ANALYSIS

The Applicant has petitioned the Commission for a determination that the services it is seeking to provide should be classified as competitive.

### 8.1 *Competitive Services Analysis For Local Exchange Services*

#### **8.1.1 A description of the general economic conditions that exist, which makes the relevant market for the service one that, is competitive.**

The local exchange market that the Applicant seeks to enter is one in which a number of CLECs have been authorized to provide local exchange service. Nevertheless, ILECs hold a virtual monopoly in the local exchange service market. At locations where ILECs provide local exchange service, the Applicant will be entering the market as an alternative provider of local exchange service and, as such, the Applicant will have to compete with those companies in order to obtain customers. In areas where ILECs do not serve customers, the Applicant may have to convince developers to allow it to provide service to their developments.

#### **8.1.2 The number of alternative providers of the service.**

Qwest and various independent LECs are the primary providers of local exchange service in the State. Several CLECs and local exchange resellers are also providing local exchange service.

#### **8.1.3 The estimated market share held by each alternative provider of the service.**

Since Qwest and the independent LECs are the primary providers of local exchange service in the State, they have a large share of the market. Since the CLECs and local exchange resellers have only recently been authorized to offer service they have limited market share.

**8.1.4 The names and addresses of any alternative providers of the service that are also affiliates of the Applicant, as defined in A.A.C. R14-2-801.**

None over which the Commission has jurisdiction.

**8.1.5 The ability of alternative providers to make functionally equivalent or substitute services readily available at competitive rates, terms and conditions.**

ILECs have the ability to offer the same services that the Applicant has requested in their respective service territories. Similarly many of the CLECs and local exchange resellers also offer substantially similar services.

**8.1.6 Other indicators of market power, which may include growth and shifts in market share, ease of entry and exit, and any affiliation between and among alternative providers of the service(s).**

The local exchange service market is:

- a. One in which ILECs own networks that reach nearly every residence and business in their service territories and which provide them with a virtual monopoly over local exchange service. New entrants are also beginning to enter this market.
- b. One in which new entrants will be dependent upon ILECs:
  1. To terminate traffic to customers.
  2. To provide essential local exchange service elements until the entrant's own network has been built.
  3. For interconnection.
- c. One in which ILECs have had an existing relationship with their customers that the new entrants will have to overcome if they want to compete in the market and one in which new entrants do not have a long history with any customers.
- d. One in which most customers have few, if any choices since there is generally only one provider of local exchange service in each service territory.
- e. One in which the Applicant will not have the capability to adversely affect prices or restrict output to the detriment of telephone service subscribers.

*8.2 Competitive Services Analysis For Interexchange Services*

**8.2.1 A description of the general economic conditions that exist, which makes the relevant market for the service one that, is competitive.**

The interexchange market that the Applicant seeks to enter is one in which numerous facilities-based and resold interexchange carriers have been authorized to provide service throughout the State. The Applicant will be a new entrant in this market and, as such, will have to compete with those companies in order to obtain customers.

**8.2.2 The number of alternative providers of the service.**

There are a large number of facilities-based and resold interexchange carriers providing both interLATA and intraLATA interexchange service throughout the State. In addition, various ILECs provide intraLATA interexchange service in many areas of the State.

**8.2.3 The estimated market share held by each alternative provider of the service.**

The large facilities-based interexchange carriers (AT&T, Sprint, MCI, etc.) hold a majority of the interLATA interexchange market, and the ILECs provide a large portion of the intraLATA interexchange market. Numerous other interexchange carriers have a smaller part of the market and one in which new entrants do not have a long history with any customers.

**8.2.4 The names and addresses of any alternative providers of the service that are also affiliates of the telecommunications Applicant, as defined in A.A.C. R14-2-801.**

None.

**8.2.5 The ability of alternative providers to make functionally equivalent or substitute services readily available at competitive rates, terms and conditions.**

Both facilities-based and resold interexchange carriers have the ability to offer the same services that the Applicant has requested in their respective service territories. Similarly many of the ILECs offer similar intraLATA toll services.

**8.2.6 Other indicators of market power, which may include growth and shifts in market share, ease of entry and exit, and any affiliation between and among alternative providers of the service(s).**

The interexchange service market is:

- a. One with numerous competitors and limited barriers to entry.
- b. One in which established interexchange carriers have had an existing relationship with their customers that the new entrants will have to overcome if they want to compete in the market.
- c. One in which the Applicant will not have the capability to adversely affect prices or restrict output to the detriment of telephone service subscribers.

## 9. PRIVATE LINE TELECOMMUNICATIONS SERVICE SPECIFIC ISSUES

Private line service is a direct circuit or channel specifically dedicated to the use of an end user organization for the purpose of directly connecting two or more sites in a multi-site enterprise. Private line service provides a means by which customers may transmit and receive messages and data among various customer locations over facilities operated and provided by the Applicant. The Applicant is therefore engaged in providing telecommunications service for hire to the public, which fits the definition of a common carrier and a public service corporation.

The Applicant will be providing service in areas where an ILEC, along with various CLECs and interexchange carriers are providing telephone and private line services. Therefore, the Applicant would have to compete with those providers in order to obtain subscribers to its services. The Applicant would be a new entrant and would face competition from both an incumbent provider and other competitive providers in offering service to its potential customers. Therefore, the Applicant would generally not be able to exert market power. Private line services are highly competitive, thus, the competitive process should result in rates that are just and reasonable.

## 10. RECOMMENDATIONS

The following sections contain the Staff recommendations on the application for a CC&N and the Applicant's petition for a Commission determination that its proposed services should be classified as competitive.

### *10.1 Recommendations on the Application for a CC&N*

Staff recommends that Applicant's application for a CC&N to provide intrastate telecommunications services, as listed in this Report, be granted. In addition, Staff further recommends:

1. That the Applicant complies with all Commission Rules, Orders and other requirements relevant to the provision of intrastate telecommunications services;
2. That the Applicant abides by the quality of service standards that were approved by the Commission for Qwest in Docket No. T-01051B-93-0183;

3. That the Applicant be prohibited from barring access to alternative local exchange service providers who wish to serve areas where the Applicant is the only provider of local exchange service facilities;
4. That the Applicant be required to notify the Commission immediately upon changes to the Applicant's name, address or telephone number;
5. That the Applicant cooperate with Commission investigations including, but not limited to customer complaints;
6. The rates proposed by this filing are for competitive services. In general, rates for competitive services are not set according to rate of return regulation. The Company provided a net book value or fair value rate base at the end of its first 12 months of operation estimated to be \$20,000. Re-Invent also provided a revenue projection of \$500,000 for fiscal year 2012. Staff has reviewed the rates to be charged by the Applicant and believes they are just and reasonable as they are comparable to other providers offering service in Arizona and comparable to the rates the Applicant charges in other jurisdictions. The rate to be ultimately charged by the Company will be heavily influenced by the market. Therefore, while Staff considered the fair value rate base information submitted by the Company, the fair value information provided was not given substantial weight in this analysis;
7. That the Applicant offer Caller ID with the capability to toggle between blocking and unblocking the transmission of the telephone number at no charge;
8. That the Applicant offer Last Call Return service that will not return calls to telephone numbers that have the privacy indicator activated;
9. Staff further recommends that the Commission authorize the Applicant to discount its rates and service charges to the marginal cost of providing the services;

Staff further recommends that the Applicant be ordered to comply with the following. If it does not do so, the Applicant's CC&N shall be null and void, after due process.

1. The Applicant shall docket a conforming tariff for each service within its CC&N within 365 days from the date of an Order in this matter or 30 days prior to providing service, whichever comes first;
2. The Applicant shall:
  - a. Procure a performance bond or an ISDLC equal to \$235,000. The minimum bond or draft amount of \$235,000 should be increased if at any time it would be insufficient to cover advances, deposits, and/or

prepayments collected from the Applicant's customers. The bond or draft amount should be increased in increments of \$117,500. This increase should occur when the total amount of the advances, deposits, and prepayments is within \$23,500 of the bond amount or ISDLC amount; and

- b. File the original performance bond or ISDLC with the Commission's Business Office and copies of the performance bond or ISDLC with Docket Control, as a compliance item in this docket, within 90 days of the effective date of a decision in this matter or 10 days before service to end-user customers is commenced, whichever comes first. The original performance bond or ISDLC must remain in effect until further order of the Commission. The Commission may draw on the performance bond or ISDLC, on behalf of, and for the sole benefit of the Company's customers, if the Commission finds, in its discretion, that the Company is default of its obligations arising from its Certificate. The Commission may use the performance bond or ISDLC funds, as appropriate, to protect the Company's customers and the public interest and take any and all actions the Commission deems necessary, in its discretion, including, but not limited to returning prepayments or deposits collected from the Company's customers;
  - c. Staff also recommends that the Company notify the Commission through a compliance filing within 30 days of the commencement of service to end-user customers; and
3. The Applicant shall abide by the Commission adopted rules that address Universal Service in Arizona. A.A.C. R14-2-1204(A) indicates that all telecommunications service providers that interconnect into the public switched network shall provide funding for the Arizona Universal Fund. The Applicant will make the necessary monthly payments required by A.A.C. R14-2-1204 (B).

Furthermore, Staff recommends that approval of the Application be conditioned on the following:

1. That Re-Invent's application be approved based upon its representation to the Commission that Re-Invent will be providing local exchange service directly to end-users in Arizona. Should Re-Invent not provide service directly to end-user customers, it shall notify the Commission and file for cancellation its CC&N.

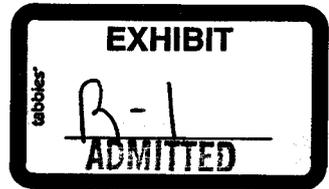
#### *10.2 Recommendation on the Applicant's Petition To Have Its Proposed Services Classified As Competitive*

Staff believes that the Applicant's proposed services should be classified as competitive. There are alternatives to the Applicant's services. The Applicant will have to convince customers to purchase its services, and the Applicant has no ability to adversely affect the local

exchange or interexchange service markets. Therefore, the Applicant currently has no market power in the local exchange or interexchange service markets where alternative providers of telecommunications services exist. Staff therefore recommends that the Applicant's proposed services be classified as competitive.

ARIZONA CORPORATION COMMISSION

Application and Petition for Certificate of Convenience and Necessity to Provide Intrastate Telecommunications Services



Mail original plus 13 copies of completed application to:

For Docket Control Only: (Please Stamp Here)

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

Please indicate if you have current applications pending in Arizona as an Interexchange reseller, AOS provider, or as the provider of other telecommunication services.

Type of Service: None

Docket No.: Date: Date Docketed:

Type of Service:

Docket No.: Date: Date Docketed:

Vertical stamp: 200 AUG 20 A 9:49

A. COMPANY AND TELECOMMUNICATION SERVICE INFORMATION

(A-1) Please indicate the type of telecommunications services that you want to provide in Arizona and answer the appropriate numbered items:

- Resold Long Distance Telecommunications Services (Answer Sections A, B).
Resold Local Exchange Telecommunications Services (Answer Sections A, B, C).
Facilities-Based Long Distance Telecommunications Services (Answer Sections A, B, D).
Facilities-Based Local Exchange Telecommunications Services (Answer Sections A, B, C, D, E).
Alternative Operator Services Telecommunications Services (Answer Sections A, B)
Other Private line services (Please attach complete description)

(A-2) The name, address, telephone number (including area code), facsimile number (including area code), e-mail address, and World Wide Web address (if one is available for consumer access) of the Applicant:

Re-Invent Telecom, LLC
10100 E. McKellips Road 10190 E. McKellips
Scottsdale, AZ 85256
Office Phone: 480-362-7000
Fax: 480-362-7010
Email: customerservice@saddlebackcomm.com

(A-3) The d/b/a ("Doing Business As") name if the Applicant is doing business under a name different from that listed in Item (A-2):

N/A.

(A-4) The name, address, telephone number (including area code), facsimile number (including area code), and E-mail address of the Applicant's Management Contact:

Steve Obee  
~~10100~~ E. McKellips Rd. 10190 E. McKellips  
Scottsdale, AZ 85256  
Phone: 480-362-7149; Fax: 480-362-7142  
sobe@Saddlebackcomm.com

(A-5) The name, address, telephone number (including area code), facsimile number (including area code), and E-mail address of the Applicant's Attorney and/or Consultant:

Joan S. Burke  
Law Office of Joan S. Burke  
1650 N. First Avenue  
Phoenix, AZ 85003  
Phone: (602) 535-0396; email: joan@jsburkelaw.com

(A-6) The name, address, telephone number (including area code), facsimile number (including area code), and E-mail address of the Applicant's Complaint Contact Person:

Steve Obee  
~~10100~~ E. McKellips Rd. 10190 E. McKellips  
Scottsdale, AZ 85256  
Phone: 480-362-7149; Fax: 480-362-7142  
sobe@Saddlebackcomm.com

(A-7) What type of legal entity is the Applicant? Mark the appropriate box(s) and category

- Sole proprietorship
- Partnership: \_\_\_ Limited, \_\_\_ General, \_\_\_ Arizona, \_\_\_ Foreign
- Limited Liability Company: \_\_\_ Arizona, x Foreign (*Salt River Pima-Maricopa Indian Community*)
- Corporation: \_\_\_ "S", \_\_\_ "C", \_\_\_ Non-profit
- Other, specify: \_\_\_\_\_

(A-8) Please include "Attachment A":

Attachment "A" must include the following information:

1. A copy of the Applicant's Certificate of Good Standing as a domestic or foreign corporation, LLC, or other entity in the State of Arizona.

*A Certificate of Good Standing for the Applicant is included.*

2. A list of the names of all owners, partners, limited liability company managers (or if a member managed LLC, all members), or corporation officers and directors (specify).

*The sole member of Re-Invent Telecom, LLC is Saddleback Communications Company. Included in Attachment A is a list of the officers of Saddleback Communications Company.*

3. Indicate percentages of ownership of each person listed in A-8.2.

*Applicant is a wholly-owned by Saddleback Communications Company. Saddleback Communications Company is a Division of the Salt River Pima-Maricopa Indian Community.*

(A-9) Include your Tariff as "Attachment B".

Your Tariff must include the following information:

1. Proposed Rates and Charges for each service offered (reference by Tariff page number).
2. Tariff Maximum Rate and Prices to be charged (reference by Tariff page number).
3. Terms and Conditions Applicable to provision of Service (reference by Tariff page number).
4. Deposits, Advances, and/or Prepayments Applicable to provision of Service (reference by Tariff page number).
5. The proposed fee that will be charged for returned checks (reference by Tariff page number).

*Applicant intends to use the Draft Tariff included here as Attachment B.*

(A-10) Indicate the geographic market to be served:

- Statewide. (Applicant adopts statewide map of Arizona provided with this application).
- Other. Describe and provide a detailed map depicting the area.

(A-11) Indicate if the Applicant or any of its officers, directors, partners, or managers has been or are currently involved in any formal or informal complaint proceedings pending before any state or federal regulatory commission, administrative agency, or law enforcement agency.

*None.*

Describe in detail any such involvement. Please make sure you provide the following information:

1. States in which the Applicant has been or is involved in proceedings.
2. Detailed explanations of the Substance of the Complaints.
3. Commission Orders that resolved any and all Complaints.
4. Actions taken by the Applicant to remedy and/or prevent the Complaints from re-occurring.

(A-12) Indicate if the Applicant or any of its officers, directors, partners, or managers has been or are currently involved in any civil or criminal investigation, or had judgments entered in any civil matter, judgments levied by any administrative or regulatory agency, or been convicted of any criminal acts within the last ten (10) years.

*In responding to this question, Applicant's officers, directors, partners or managers were asked to exclude divorce proceedings, family court matters, probate cases and personal forcible detainer or foreclosure actions that are unrelated to this application and the Applicant.*

*Yes.*

*Description: As Chief Information Officer for the City of Tucson, Board member Todd Sander was called as a witness in the City's litigation with U.S. West Communication, Inc. regarding the applicability of a business privilege tax and a public utility tax to U.S. West's operations. See U.S. West Communications, Inc. v. City of Tucson, 198 Ariz. 515, 11 P.3D 1054. This litigation has concluded and Mr. Todd Sander is no longer employed by the City of Tucson. The opinions and decisions issued by the court in connection with this litigation are matters of public record. Mr. Sander left this employment with the City of Tucson in 2005.*

Describe in detail any such judgments or convictions. Please make sure you provide the following information:

1. States involved in the judgments and/or convictions.
2. Reasons for the investigation and/or judgment.
3. Copy of the Court order, if applicable.

(A-13) Indicate if the Applicant's customers will be able to access alternative toll service providers or resellers via 1+101XXXX access.

Yes

No

(A-14) Is applicant willing to post a Performance Bond? Please check appropriate box(s).

For Long Distance Resellers, a \$10,000 bond will be recommended for those resellers who collect advances, prepayments or deposits.

Yes

No

If "No", continue to question (A-15).

For Local Exchange Resellers, a \$25,000 bond will be recommended.

Yes

No

If "No", continue to question (A-15).

For Facilities-Based Providers of Long Distance, a \$100,000 bond will be recommended.

Yes

No

If "No", continue to question (A-15).

For Facilities-Based Providers of Local Exchange, a \$100,000 bond will be recommended.

Yes

No

If "No", continue to question (A-15).

Note: Amounts are cumulative if the Applicant is applying for more than one type of service.

(A-15) If No to any of the above, provide the following information. Clarify and explain the Applicant's deposit policy (reference by tariff page number). Provide a detailed explanation of why the applicant's superior financial position limits any risk to Arizona consumers.

*Not Applicable in light of answers to A-14, above.*

(A-16) Submit copies of affidavits of publication that the Applicant has, as required, published legal notice of the Application in all counties where the applicant is requesting authority to provide service.

Note: For Resellers, the Applicant must complete and submit an Affidavit of Publication Form as Attachment "C" before Staff prepares and issues its report. Refer to the Commission's website for Legal Notice Material (Newspaper Information, Sample Legal Notice and Affidavit of Publication). For Facilities-Based Service Providers, the Hearing Division will advise the Applicant of the date of the hearing and the publication of legal notice. Do not publish legal notice or file affidavits of publication until you are advised to do so by the Hearing Division.

*Applicant will provide an Affidavit of Publication soon as possible after the Hearing Division advises it of the hearing date and the notice is published.*

(A-17) Indicate if the Applicant is a switchless reseller of the type of telecommunications services that the Applicant will or intends to resell in the State of Arizona:

Yes

No

If "Yes", provide the name of the company or companies whose telecommunications services the Applicant resells.

(A-18) List the States in which the Applicant has had an application approved or denied to offer telecommunications services similar to those that the Applicant will or intends to offer in the State of Arizona:

Note: If the Applicant is currently approved to provide telecommunications services that the Applicant intends to provide in Arizona in less than six states, excluding Arizona, list the Public Utility Commission ("PUC") of each state that granted the authorization. For each PUC listed provide the name of the contact person, their phone number, mailing address including zip code, and e-mail address.

*Only Arizona. Applicant is not approved (nor has it applied) to provide telecommunications services in any other state.*

(A-19) List the States in which the Applicant currently offers telecommunications services similar to those that the Applicant will or intends to offer in the State of Arizona.

Note: If the Applicant currently provides telecommunication services that the Applicant intends to provide in Arizona in six or more states, excluding Arizona, list the states. If the Applicant does not currently provide telecommunications services that the Applicant intends to provide in Arizona in five or less states, list the key personnel employed by the Applicant. Indicate each employee's name, title, position, description of their work experience, and years of service in the telecommunications services industry.

*None.*

(A-20) List the names and addresses of any alternative providers of the service that are also affiliates of the telecommunications company, as defined in R14-2-801.

*Saddleback Communications Company is an affiliate of the applicant, however, Saddleback only provides telecommunications services within the geographic boundaries of the Salt River Pima-Maricopa Indian Community. Re-Invent will not provide telecommunications services within the geographic boundaries of the Salt River Pima-Maricopa Indian Community. Consequently, Saddleback Communications Company is not, an "alternative provider" due to the geographic scope of services.*

(A-21) Check here if you wish to adopt as your petition a statement that the service has already been classified as competitive by Commission Decision:

- Decision # 64178 Resold Long Distance
- Decision # 64178 Resold LEC
- Decision # 64178 Facilities Based Long Distance
- Decision # 64178 Facilities Based LEC

## B. FINANCIAL INFORMATION

(B-1) Indicate if the Applicant has financial statements for the two (2) most recent years.

Yes

No

If "No," explain why and give the date on which the Applicant began operations.

*Applicant has not been in operation for two years. Applicant was formed on May 12, 2010 and will begin operations in 2010.*

(B-2) Include "Attachment D".

Provide the Applicant's financial information for the two (2) most recent years.

1. A copy of the Applicant's balance sheet.
2. A copy of the Applicant's income statement.
3. A copy of the Applicant's audit report.
4. A copy of the Applicant's retained earnings balance.
5. A copy of all related notes to the financial statements and information.

Note: Make sure "most recent years" includes current calendar year or current year reporting period.

(B-3) Indicate if the Applicant will rely on the financial resources of its Parent Company, if applicable.

*Yes. Applicant has access to and can rely on the financial resources of Saddleback Communications Company. Saddleback Communications Company is a private company and is a Division of the Salt River Pima-Maricopa Indian Community. Re-Invent will work with Staff to provide necessary assurances that adequate financial resources will be available to the Applicant.*

(B-4) The Applicant must provide the following information.

1. Provide the projected total revenue expected to be generated by the provision of telecommunications services to Arizona customers for the first twelve months following certification, adjusted to reflect the maximum rates for which the Applicant requested approval. Adjusted revenues may be calculated as the number of units sold times the maximum charge per unit.

*Fiscal Year 2012 Projected Revenue provisioning services to Arizona customers approximately: \$500,000.*

2. Provide the operating expenses expected to be incurred during the first twelve months of providing telecommunications services to Arizona customers following certification.

*Fiscal Year 2012 Projected operating expenses provisioning services to Arizona customers: \$400,000.*

3. Provide the net book value (original cost less accumulated depreciation) of all Arizona jurisdictional assets expected to be used in the provision of telecommunications service to Arizona customers at the end of the first twelve months of operation. Assets are not limited to plant and equipment. Items such as office equipment and office supplies should be included in this list.

*The estimated and projected net book value (original cost less accumulated depreciation) of all Arizona jurisdictional assets expected to be used in the provision of telecommunications services to Arizona customers at the end of the first 12 months of operations is approximately \$20,000.00. Because Re-Invent does not know when the first twelve months will occur, this is a very rough estimate.*

4. If the projected value of all assets is zero, please specifically state this in your response.

*Not applicable.*

5. If the projected fair value of the assets is different than the projected net book value, also provide the corresponding projected fair value amounts.

*Not applicable.*

**C. RESOLD AND/OR FACILITIES-BASED LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES**

(C-1) Indicate if the Applicant has a resale agreement in operation,

Yes  No

If "Yes", please reference the resale agreement by Commission Docket Number or Commission Decision Number.

**D. FACILITIES-BASED LONG DISTANCE AND/OR FACILITIES BASED LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES**

(D-1) Indicate if the Applicant is currently selling facilities-based long distance telecommunications services AND/OR facilities-based local exchange telecommunications services in the State of Arizona. This item applies to an Applicant requesting a geographic expansion of their CC&N:

Yes  No

If "Yes," provide the following information:

1. The date or approximate date that the Applicant began selling facilities-based long distance telecommunications services AND/OR facilities-based local exchange telecommunications services for the State of Arizona.
2. Identify the types of facilities-based long distance telecommunications services AND/OR facilities-based local exchange telecommunications services that the Applicant sells in the State of Arizona.

If "No," indicate the date when the Applicant will begin to sell facilities-based long distance telecommunications AND/OR facilities-based local exchange telecommunications services in the State of Arizona:

**E. FACILITIES-BASED LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES**

(E-1) Indicate whether the Applicant will abide by the quality of service standards that were approved by the Commission in Commission Decision Number 59421:

Yes  No

(E-2) Indicate whether the Applicant will provide all customers with 911 and E911 service, where available, and will coordinate with incumbent local exchange carriers ("ILECs") and emergency service providers to provide this service:

Yes  No

(E-3) Indicate that the Applicant's switch is "fully equal access capable" (i.e., would provide equal access to facilities-based long distance companies) pursuant to A.A.C. R14-2-1111 (A):

Yes  No

I certify that if the applicant is an Arizona corporation, a current copy of the Articles of Incorporation is on file with the Arizona Corporation Commission and the applicant holds a Certificate of Good Standing from the Commission. If the company is a foreign corporation or partnership, I certify that the company has authority to transact business in Arizona. I certify that all appropriate city, county, and/or State agency approvals have been obtained. Upon signing of this application, I attest that I have read the Commission's rules and regulations relating to the regulations of telecommunications services (A.A.C. Title 14, Chapter 2, Article 11) and that the company will abide by Arizona state law including the Arizona Corporation Commission Rules. I agree that the Commission's rules apply in the event there is a conflict between those rules and the company's tariff, unless otherwise ordered by the Commission. I certify that to the best of my knowledge the information provided in this Application and Petition is true and correct.

*BB*

\_\_\_\_\_  
(Signature of Authorized Representative)

August 18, 2010

\_\_\_\_\_  
(Date)

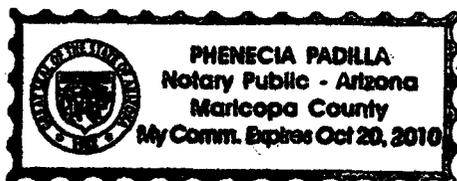
BILL BRYANT

\_\_\_\_\_  
(Print Name of Authorized Representative)

PRESIDENT / GENERAL MANAGER

\_\_\_\_\_  
(Title)

SUBSCRIBED AND SWORN to before me this 18<sup>th</sup> day of August, 2010



*Pheneicia Padilla*  
\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires Oct 20, 2010

# Exhibit A



**SALT RIVER PIMA-MARICOPA INDIAN COMMUNITY**  
**CERTIFICATE OF GOOD STANDING**  
**LIMITED LIABILITY COMPANY**

To all to whom these presents shall come, greeting:

Pursuant to Sec. 23-2-208 of the Salt River Pima-Maricopa Indian Community Limited Liability Company Act, I, Erica Harvier, Secretary to the Salt River Pima-Maricopa Indian Community Council, do hereby certify that

**\*\*\*Re-Invent Telecom, LLC\*\*\***

a domestic limited liability company organized under the laws of the Salt River Pima-Maricopa Indian Community, did organize on May 12<sup>th</sup>, 2010.

I further certify that according to the records of the Salt River Pima-Maricopa Indian Community, as of the date set forth hereunder, the said limited liability company is not administratively dissolved for failure to comply with the provisions of the Salt River Pima-Maricopa Indian Community Limited Liability Company Act; and that it is not required to file an Annual Report, subject to the provisions of Sec. 23-2-410 of the Salt River Pima-Maricopa Indian Community Limited Liability Company Act; and that the said limited liability company has not filed Articles of Dissolution as of the date of this certificate.

This certificate relates only to the legal existence of the above named entity as of the date issued. This certificate is not to be construed as an endorsement, recommendation, or notice of approval of the entity's condition or business activities and practices.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Salt River Pima-Maricopa Indian Community. Done at the Salt River Pima-Maricopa Indian Community Reservation, this 11<sup>th</sup> day of August, 2010, A.D.

Approved as to Form by the  
Office of the General Counsel  
Vince Lujan  
August 5, 2010  
*Vince Lujan*

By: *Erica Harvier*  
Its: *Council Secretary*

# Exhibit A

## Officers of Saddleback Communications Company

<b>Name</b>	<b>Title</b>
<b>Mr. Bill Bryant Saddleback Communications 10190 E. McKellips Road Scottsdale, AZ 85256 (480) 362-7001 Business bbryant@saddlebackcomm.com</b>	<b>President/General Manager</b>
<b>Ms. Sasheen Castaneda</b>	<b>Community Member Representative</b>
<b>Mr. Rick Deloney</b>	<b>Professional Industry Representative</b>
<b>Mr. Ricardo Leonard</b>	<b>Council Representative</b>
<b>Mr. Russell Ray</b>	<b>Community Member Representative</b>
<b>Mr. Todd Sander</b>	<b>Professional Industry Representative</b>
<b>Ms. Margie Wilson</b>	<b>Community Member Representative</b>

# Exhibit B

**Re-Invent Telecom, LLC**  
**Regulations and Schedule of Charges for**  
**Local Exchange and Long Distance Telecommunications Services**  
**Within the State of Arizona**

**CHECK SHEET**

Page 1 - 54 inclusive of this tariff are effective as of the date shown. Original and revised pages, as named below, comprise all changes from the original tariff in effect on the date indicated.

Page	Revision
1	Original
2	Original
3	Original
4	Original
5	Original
6	Original
7	Original
8	Original
9	Original
10	Original
11	Original
12	Original
13	Original
14	Original
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35	Original
36	Original
37	Original
38	Original
39	Original
40	Original
41	Original
42	Original
43	Original

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ISSUED: August \_\_, 2010

EFFECTIVE: August \_\_, 2010  
1518029v5

Bill Bryant, General Manager  
Re-Invent Telecom, LLC  
10190 E. McKellips Road  
Scottsdale Arizona 85256

Local Exchange and Long Distance Telecommunications Services

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44	Original
45	Original
46	Original
47	Original
48	Original
49	Original
50	Original
51	Original
52	Original
53	Original
54	Original

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ISSUED: August \_\_, 2010

EFFECTIVE: August \_\_, 2010  
1518029v5

Bill Bryant, General Manager  
Re-Invent Telecom, LLC  
10190 E. McKellips Road  
Scottsdale Arizona 85256

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Bill Bryant, General Manager  
Re-Invent Telecom, LLC  
10190 E. McKellips Road  
Scottsdale Arizona 85256

Local Exchange and Long Distance Telecommunications Services

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Bill Bryant, General Manager  
Re-Invent Telecom, LLC  
10190 E. McKellips Road  
Scottsdale Arizona 85256



**CONCURRING, CONNECTING OR OTHER PARTICIPATING CARRIERS**

None

**SYMBOLS**

The following symbols shall be used in this tariff for the purpose indicated below:

- C - To signify changed regulation
- D - To signify decreased rate
- I - To signify increased rate
- R - Reduction
- N - New rate or rule

## TARIFF FORMAT

**Sheet Numbering** - Sheet numbers appear in the upper right corner of the sheet. Sheets are numbered sequentially. However, new sheets are occasionally added to the Tariff. When a new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between sheets 14 and 15 would be 14.1.

**Sheet Revision Numbers** - Revision numbers also appear in the upper right corner of each sheet. These numbers are used to determine the most current sheet version on file. For example, the 4<sup>th</sup> revised Sheet 14 cancels the 3<sup>rd</sup> revised Sheet 14.

**Paragraph Numbering Sequence** - There are five levels of paragraph coding. Each level of coding is subservient to its next higher level:

- 2
- 2.1
- 2.1.1
- 2.1.1.(A)
- 2.1.1.(A).1
- 2.1.1.(A).1.a
- 2.1.1.(A).1.a.i

**Check Sheets** - When a Tariff filing is made with the Commission, an updated check sheet accompanies the Tariff filing. The check sheet lists the sheets contained in the Tariff, with a cross reference to the current revision number. When new sheets are added, the check sheet is changed to reflect the addition. The Tariff user should refer to the latest check sheet to find out if a particular sheet is the most current on file with the Commission.

## SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

**Advance Payment:** Payment of all or part of a charge required before the start of service.

**Authorized User:** A person, firm, corporation or other entity that either is authorized by the Customer to use local exchange telephone service or is placed in a position by the Customer, either through acts or omissions, to use local exchange telephone service.

**Call Pickup:** Allows a User to answer incoming calls to another Station line within a defined call pickup group. Call Pickup is provided as either Group Call Pickup, where predesignated groups can pickup each other's calls by activating an access code or a feature key, or Directed Call Pickup, where any call can be retrieved by dialing a different access code followed by the extension number.

**Commission:** The Arizona Corporation Commission.

**Company:** Re-Invent Telecom, LLC, a Salt River Pima-Maricopa Indian Community corporation, which is the issuer of this tariff.

**Customer:** The person, firm, corporation or other entity which orders service and is responsible for the payment of charges and for compliance with the Company's tariff regulations.

**Customer Group Dialing Plan:** A dialing scheme shared by the members of a Customer group, such as 4 digit internal dialing.

**Dial Pulse ("DP"):** The pulse type employed by rotary dial Station sets.

**Direct Inward Dialing ("DID"):** A service attribute that routes incoming calls directly to Stations, by-passing a central answering point.

**Do Not Disturb:** Allows the User to prevent incoming calls from ringing its line by diverting them to a tone or a recorded announcement that informs the caller that the User is not accepting calls at this time.

**Dual Tone Multi-Frequency ("DTMF"):** The pulse type employed by tone dial Station sets.

**Hunting:** Routes a call to an idle Station line. With Serial Hunting, calls to a member of a hunt group will search from that point to the end of the group and stop.

**Individual Case Basis:** A service arrangement in which the regulations, rates and charges are developed based on the specific circumstances of the Customer's situation.

**Joint User:** A person, firm or corporation designated by the Customer as a user of local exchange service furnished to the Customer by the Company, and to whom a portion of the charges for such facilities are billed under a joint use arrangement.

**LATA:** A local access and transport area established pursuant to the Modification of Final Judgment entered by the United States District Court for the District of Columbia in Civil Action No. 82-0192 for the provision and administration of communications services.

**Least Idle Trunk Selection ("LIDL"):** LIDL trunk selection occurs when a switching unit selects from a Trunk group the Trunk that has been idle for the shortest period of time.

**Local Calling:** A completed call or telephonic communication between a calling Station and any other station within the local service area of the calling Station based on the NPA-NXXs of the calling and called parties.

---

**Local Exchange Carrier:** Any individual, partnership, association, joint-stock company, trust, governmental entity or corporation engaged in the provision of local exchange telephone service.

**Mbps:** Megabits, or million of Bits, per second.

**Message Waiting:** This feature provides an indication to a Station User that a message is waiting. Indications may be visual (lamp) or audible (stuttered dial tone).

**Most Idle Trunk Selection ("MIDL"):** MIDL Trunk selection occurs when a switching unit selects from a Trunk group the Trunk that has been idle for the longest period of time.

**Multiple Appearance Directory Numbers:** A directory number that is assigned more than once to one or more Proprietary Business Sets.

**Multi-Frequency ("MF"):** An inter-machine pulse-type used for signaling between telephone switches, or between telephone switches and PBX/key systems.

**Non-Recurring Charges:** The one-time initial charges for services or facilities, including but not limited to charges for construction, installation, or special fees, for which the Customer becomes liable at the time the Service Order is executed.

**Off-Hook:** The term "off-hook" denotes the active condition of a telephone exchange service line.

**On-Hook:** The term "on-hook" denotes the idle condition of a telephone exchange service line.

**Originating Off-Net:** A call originating on and placed via facilities neither owned nor leased by the Company.

**Originating On-Net:** A call originating on and placed via facilities owned or leased by the Company.

**Recurring Charges:** The monthly charges to the Customer for services, facilities and equipment, which continue for the agreed upon duration of the service.

**Presubscription:** An arrangement whereby an end user may select and designate to the Company an interexchange carrier ("IXC") to access, without an access code, for toll calls. This IXC is referred to as the end user's predesignated IXC.

**Service Commencement Date:** The first day following the date on which the Company notifies the Customer that the requested service or facility is available for use, unless extended by the Customer's refusal to accept service which does not conform to standards set forth in the Service Order or this tariff, in which case the Service Commencement Date is the date of the Customer's acceptance of service. The parties may mutually agree on a substitute Service Commencement Date.

**Service Order:** The written request for local exchange services executed by the Customer and the Company in a format specified by the Company. The signing of a Service Order by the Customer and acceptance thereof by the Company initiates the respective obligations of the parties as set forth therein and pursuant to this tariff, but the duration of the service is calculated from the Service Commencement Date.

**Services:** The Company's telecommunications services offered on the Company's network.

**Speed Call:** Provides a User with the option to call selected directory numbers by dialing a one or two-digit code.

**Station:** Telephone equipment from or to which calls are placed.

**Trunk:** A communications path connecting two switching systems in a network, used in the establishment of an end-to-end connection.

**User:** A Customer or any other person authorized by the Customer to use service provided under this tariff.

## SECTION 2 - RULES AND REGULATIONS

### 2.1 Undertaking of the Company

#### 2.1.1 Scope

The Company undertakes to furnish communications service in connection with one-way and/or two-way information transmission between points within the State of Arizona under the terms of this tariff.

Customers may use services and facilities provided under this tariff to obtain access to services offered by other service providers. The Company is responsible under this tariff only for the services and facilities provided herein, and it assumes no responsibility for any service provided by any other entity that purchases access to the Company network in order to originate or terminate its own services, or to communicate with its own Customers.

#### 2.1.2 Shortage of Equipment or Facilities

2.1.2.(A) The Company reserves the right to limit or allocate the use of existing facilities, or of additional facilities offered by the Company when necessary because of lack of facilities or due to some other cause beyond the Company's control.

2.1.2.(B) The furnishing of service under this tariff is subject to the availability on a continuing basis of all the necessary facilities and is limited to the capacity of the Company's fiber optic cable facilities as well as facilities the Company may obtain from other carriers, from time to time, to furnish service as required at the sole discretion of the Company.

#### 2.1.3 Terms and Conditions

2.1.3.(A) Except as otherwise provided herein, service is provided and billed on the basis of a minimum period of at least one month, and shall continue to be provided until canceled by the Customer, in writing, on not less than 30 days notice. Unless otherwise specified herein, for the purpose of computing charges in this tariff, a month is considered to have 30 days. All calculations of dates set forth in this tariff shall be based on calendar days, unless otherwise specified herein.

2.1.3.(B) Customers may be required to enter into written Service Orders which shall contain or reference the name of the Customer, a specific description of the service ordered, the rate to be charged, the duration of the services, and the terms and conditions in this tariff.

Local Exchange and Long Distance Telecommunications Services

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- 2.1.3.(C) At the expiration of the initial term specified in each Service Order, or in any extension thereof, service shall continue on a month to month basis at the then current rates unless terminated by either party upon 30 days written notice. Any termination shall not relieve Customer of its obligation to pay any charges incurred under the Service Order and this tariff prior to termination. The rights and obligations which by their nature extend beyond the termination of the term of the Service Order shall survive such termination.
- 2.1.3.(D) This tariff shall be interpreted and governed by the laws of the State of Arizona.
- 2.1.3.(E) The Customer agrees to operate Company-provided equipment in accordance with instructions of the Company or the Company's agent. Failure to do so will void Company liability for interruption of service and may make the Customer responsible for damage to equipment pursuant to Section 2.1.4.(H) below.

2.1.4 Liability of the Company

Because the Customer has exclusive control of its communications over the services furnished by the Company, and because interruptions and errors incident to these services are unavoidable, the services the Company furnishes are subject to the terms, conditions, and limitations specified in this tariff and to such particular terms, conditions, and limitations as set forth in the special regulations applicable to the particular services and facilities furnished under this tariff.

- 2.1.4.(A) The liability of the Company for damages arising out of the furnishing of these services, including but not limited to mistakes, omissions, interruptions, delays, or errors, or other defects, representations, or use of these services or arising out of the failure to furnish the service, whether caused by acts of commission or omission, shall be limited to the extension of allowances for interruption. The extension of such allowances for interruption shall be the sole remedy of the Customer, authorized user, or joint user and the sole liability of the Company.
- 2.1.4.(B) The Company shall not be liable or responsible for any special, consequential, exemplary or punitive damages or lost profits whether or not caused by the intentional acts or omissions or negligence of the Company's employees, agents or contractors.
- 2.1.4.(C) The Company shall not be liable for any failure of performance or equipment due to causes beyond its control, including but not limited to: acts of God, fire, flood or other catastrophes; any law, order, regulation, direction, action, or

request of the United States Government, or of any other government, including state and local governments having or claiming jurisdiction over the Company, or of any department, agency, commission, bureau, corporation, or other instrumentality of any one or more of these federal, state, or local governments, or any civil or military authority; national emergencies; insurrections; riots; wars; unavailability of rights-of-way or materials; or strikes, lock-outs, work stoppages, or other labor difficulties.

- 2.1.4.(D) The Company shall not be liable for any act or omission of any entity furnishing to the Company or to the Company's Customers' facilities or equipment used for or with the services the Company offers.
- 2.1.4.(E) The Company shall not be liable for any damages or losses due to the fault or negligence of the Customer or due to the failure or malfunction of Customer provided equipment or facilities.
- 2.1.4.(F) The Company shall not be liable for the claims of vendors supplying equipment to Customers of the Company which may be installed at premises of the Company nor shall the Company be liable for the performance of said vendor or vendor's equipment.
- 2.1.4.(G) The Company does not guarantee nor make any warranty with respect to installations it provides for use in an explosive atmosphere. The Customer indemnifies and holds the Company harmless from any and all loss, claims, demands, suits, or other action, or any liability whatsoever, whether suffered, made, instituted, or asserted by any other party or person(s), and for any loss, damage, or destruction of any property, whether owned by the Customer or others, caused or claimed to have been caused directly or indirectly by the installation, operation, failure to operate, maintenance, removal, presence, condition, location, or use of any installation so provided.
- 2.1.4.(H) The Company is not liable for any defacement of, or damage to, the premises of a Customer (or authorized or joint user) resulting from the furnishing of services or equipment on such premises or the installation or removal thereof, when such defacement or damage is not the result of negligence or willful misconduct on the part of the agents or employees of the Company.
- 2.1.4.(I) The Company shall not be liable for any damages resulting from delays in meeting any service dates due to delays resulting from normal construction procedures. Such delays

shall include, but not be limited to, delays in obtaining necessary regulatory approvals for construction, delays in obtaining right-of-way approvals and delays in actual construction work.

- 2.1.4.(J) The Company shall not be liable for any damages whatsoever to property resulting from the installation, maintenance, repair or removal of equipment and associated wiring unless the damage is caused by the Company's willful misconduct or negligence.
- 2.1.4.(K) The Company shall not be liable for any damages whatsoever associated with service, facilities, or equipment which the Company does not furnish or for any act or omission of Customer or any other entity furnishing services, facilities or equipment used for or in conjunction with GLEC Service.
- 2.1.4.(L) The Company shall not incur any liability, direct or indirect, to any person who dials or attempts to dial the digits "9-1-1" or to any other person who may be affected by the dialing of the digits "9-1-1".
- 2.1.4.(M) THE COMPANY MAKES NO WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED EITHER IN FACT OR BY OPERATION OF LAW, STATUTORY OR OTHERWISE, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR USE, EXCEPT THOSE EXPRESSLY SET FORTH HEREIN.

#### 2.1.5 Notification of Service-Affecting Activities

The Company will provide the Customer reasonable notification of service-affecting activities that may occur in normal operation of its business. Such activities may include, but are not limited to, equipment or facilities additions, removals or rearrangements and routine preventative maintenance. Generally, such activities are not specific to an individual Customer but affect many Customers services. No specific advance notification period is applicable to all service activities. The Company will work cooperatively with the Customer to determine the reasonable notifications requirements. With some emergency or unplanned service-affecting conditions, such as outage resulting from cable damage, notification to the Customer may not be possible.

#### 2.1.6 Provision of Equipment and Facilities

- 2.1.6.(A) Where construction is required, the Company shall use reasonable efforts to make available services to a Customer on or before a particular date, subject to the provisions of and compliance by the Customer with, the regulations contained in this tariff. The Company does not guarantee availability by any such date and shall not be liable for any delays in commencing service to any Customer.

- 2.1.6.(B) The Company shall use reasonable efforts to maintain facilities that it furnishes to the Customer. The Customer may not, nor may the Customer permit others to, rearrange, disconnect, remove, attempt to repair or otherwise interfere with any of the facilities installed by the Company, except upon the written consent of the Company.
- 2.1.6.(C) The Company may substitute, change or rearrange any equipment or facility at any time and from time to time, but shall not thereby alter the technical parameters of the service provided the customer.
- 2.1.6.(D) Equipment installed at the Customer Premises for use in connections with the services the Company offers shall not be used for any purpose other than that for which the Company provided it.
- 2.1.6.(E) The Company shall not be responsible for the installation, operation, or maintenance of any Customer-provided communications equipment. Where such equipment is connected to the facilities furnished pursuant to this tariff, the responsibility of the Company shall be limited to the furnishing of facilities offered under this tariff and to the maintenance and operation of such facilities. Beyond this responsibility, the Company shall not be responsible for:
- 2.1.6.(E).1 the transmission of signals by Customer-provided equipment or for the quality of, or defects in, such transmission; or
  - 2.1.6.(E).2 the reception of signals by Customer-provided equipment; or
  - 2.1.6.(E).3 network control signaling where such signaling is performed by Customer-provided network control signaling equipment.

#### 2.1.7 Non-routine Installation

At the Customer's request, installation and/or maintenance may be performed outside the Company's regular business hours or in hazardous locations. In such cases, charges based on cost of the actual labor, material, or other costs incurred by or charged to the Company will apply. If installation is started during regular business hours but, at the Customer's request, extends beyond regular business hours into time periods including, but not limited to, weekends, holidays, and/or night hours, additional charges may apply.

#### 2.1.8 Ownership of Facilities

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Title to all facilities provided in accordance with this tariff remains in the Company, its affiliates, agents or contractors.

**2.2 Prohibited Uses**

- 2.2.1** The service the Company offers shall not be used for any unlawful purpose or for any use as to which the Customer has not obtained all required governmental approvals, authorizations, licenses, consents and permits.
- 2.2.2** The Company may require a Customer to immediately shut down its transmission of signals if said transmission is causing interference to others.

**2.3 Obligations of the Customer**

**2.3.1 General Obligations**

The Customer shall be responsible for:

- 2.3.1.(A)** the payment of all applicable charges pursuant to this tariff;
- 2.3.1.(B)** reimbursing the Company for damage to, or loss of, the Company's facilities or equipment caused by the acts or omissions of the Customer; or the noncompliance by the Customer with these regulations; or by fire or theft or other casualty on the Customer's premises, unless caused by the negligence or willful misconduct of the employees or agents of the Company. The Company will, upon reimbursement for damages, cooperate with the Customer in prosecuting a claim against the person causing such damage and the Customer shall be subrogated to the Company's right of recovery of damages to the extent of such payment;
- 2.3.1.(C)** providing at no charge, as specified from time to time by the Company, any needed personnel, equipment, space and power to operate Company facilities and equipment installed on the premises of the Customer, and the level of heating and air conditioning necessary to maintain the proper operating environment on such premises;
- 2.3.1.(D)** obtaining, maintaining, and otherwise having full responsibility for all rights-of-way and conduit necessary for installation of fiber optic cable and associated equipment used to provide local exchange service to the Customer from the cable building entrance or property line to the location of the equipment space described in 2.3.1(C). Any costs associated with obtaining and maintaining the rights-of-way described herein, including the costs of altering the structure to permit installation of the Company-provided facilities,

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ISSUED: August \_\_, 2010

EFFECTIVE: August \_\_, 2010  
1518029v5

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Scottsdale Arizona 85256

shall be borne entirely by, or may be charged by the Company to, the Customer. The Company may require the Customer to demonstrate its compliance with this section prior to accepting an order for service;

2.3.1.(E) providing a safe place to work and complying with all laws and regulations regarding the working conditions on the premises at which Company employees and agents shall be installing or maintaining the Company's facilities and equipment. The Customer may be required to install and maintain Company facilities and equipment within a hazardous area if, in the Company's opinion, injury or damage to the Company's employees or property might result from installation or maintenance by the Company. The Customer shall be responsible for identifying, monitoring, removing and disposing of any hazardous material (e.g. friable asbestos) prior to any construction or installation work;

2.3.1.(F) complying with all laws and regulations applicable to, and obtaining all consents, approvals, licenses and permits as may be required with respect to, the location of Company facilities and equipment in any Customer premises or the rights-of-way for which Customer is responsible under Section 2.3.1(D) above; and granting or obtaining permission for Company agents or employees to enter the premises of the Customer at any time for the purpose of installing, inspecting, maintaining, repairing, or upon termination of service as stated herein, removing the facilities or equipment of the Company;

2.3.1.(G) not creating or allowing to be placed or maintained any liens or other encumbrances on the Company's equipment or facilities; and for maintenance purposes at a time agreeable to both the Company and the Customer. No allowance for interruptions in service will be made for the period during which service is interrupted for such purposes.

### 2.3.2 Claims

With respect to any service or facility provided by the Company, Customer shall indemnify, defend and hold harmless the Company from all claims, actions, damages, liabilities, costs and expenses, including reasonable attorneys' fees for:

2.3.2.(A) any loss, destruction or damage to property of the Company or any third party, or the death of, or injury to, persons, including, but not limited to, employees or invitees of either the Company or the Customer, to the extent caused by or resulting from the negligent or intentional act or omission of

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the Customer, its employees, agents, representatives or invitees; or

- 2.3.2.(B) any claim, loss, damage, expense or liability for infringement of any copyright, patent, trade secret, or any proprietary or intellectual property right of any third party, arising from any act or omission by the Customer, including, without limitation, use of the Company's services and facilities in a name not contemplated by the agreement between the Customer and the Company.

## 2.4 Customer Equipment and Channels

### 2.4.1 General

A Customer may transmit or receive information or signals via the facilities of the Company.

### 2.4.2 Station Equipment

- 2.4.2.(A) The Customer is responsible for providing and maintaining any terminal equipment on the Customer premises. The electric power consumed by such equipment shall be provided by, and maintained at the expense of, the Customer. All such terminal equipment must be registered with the FCC under 47 C.F.R., Part 68 and all wiring must be installed and maintained in compliance with those regulations. The Company will, where practicable, notify the Customer that temporary discontinuance of the use of a service may be required; however, where prior notice is not practicable, nothing contained herein shall be deemed to impair the Company's right to discontinue forthwith the use of a service temporarily if such action is reasonable under the circumstances. In case of such temporary discontinuance, the Customer will be promptly notified and afforded the opportunity to correct the condition which gave rise to the temporary discontinuance. During such period of temporary discontinuance, credit allowance for service interruptions as set forth in Section 2.6 following is not applicable.
- 2.4.2.(B) The Customer is responsible for ensuring that Customer-provided equipment connected to Company equipment and facilities is compatible with such equipment and facilities. The magnitude and character of the voltages and currents impressed on Company-provided equipment and wiring by the connection, operation, or maintenance of such equipment and wiring shall be such as not to cause damage to the Company-provided equipment and wiring or injury to the Company's employees or other persons. Any additional protective equipment required to prevent such damage or

**injury shall be provided by the Company at the Customer's expense.**

**2.4.3 Interconnection of Facilities**

**2.4.3.(A) Any special interface equipment necessary to achieve compatibility between the facilities and equipment of the Company used for furnishing local exchange service and the channels, facilities, or equipment of others may be provided at the Customer's expense.**

**2.4.3.(B) Local Service may be connected to the services or facilities of other communications carriers only when authorized by, and in accordance with, the terms and conditions of the tariffs of the other communications carriers which are applicable to such connections.**

**2.4.3.(C) Facilities furnished under this tariff may be connected to Customer-provided terminal equipment in accordance with the provisions of this tariff.**

**2.4.4 Inspections**

**2.4.4.(A) Upon reasonable notification to the Customer, and at a reasonable time, the Company may make such tests and inspections as may be necessary to determine that the Customer is complying with the requirements set forth in Section 2.4.2.(B) for the installation, operation, and maintenance of Customer-provided facilities and equipment to Company-owned facilities and equipment. No credit will be allowed for any interruptions occurring during such inspections.**

**2.4.4.(B) If the protective requirements for Customer-provided equipment are not being complied with, the Company may take such action as it deems necessary to protect its facilities, equipment, and personnel. The Company will notify the Customer promptly if there is any need for further corrective action. Within ten days of receiving this notice the Customer must take this corrective action and notify the Company of the action taken. If the Customer fails to do this, the Company may take whatever additional action is deemed necessary, including the suspension of service, to protect its facilities, equipment and personnel from harm. The Company will, upon request 24 hours in advance, provide the Customer with a statement of technical parameters that the Customer's equipment must meet.**

**2.5 Payment Arrangements**

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ISSUED: August \_\_, 2010

EFFECTIVE: August \_\_, 2010  
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**2.5.1 Payment for Service**

The Customer is responsible for payment of all charges for service and facilities furnished by the Company to the Customer or its Joint or Authorized Users. Objections must be received by the Company within 30 days after statement of account is rendered, or the charges shall be deemed correct and binding upon the Customer. If an entity other than the Company imposes charges on the Company, in addition to its own internal costs, in connection with a service for which a Company Non-Recurring Charge is specified, those charges may be passed on to the Customer.

**2.5.1.(A) Taxes:** The Customer is responsible for the payment of any sales, use, gross receipts, excise, access or other local, state and federal taxes, charges, user fees, or surcharges (however designated) excluding taxes on the Company's net income imposed on or based upon the provision of Local Exchange Services, all of which shall be separately designated on the Company's invoices.

**2.5.1.(B) Surcharges:** A surcharge is imposed on all charges for service originating at addresses in states, counties, and municipalities which levy, or assert a claim of right to levy, a gross receipt or franchise tax on the Company's operations in any such state, county or municipality, or a tax on interstate access charges incurred by the Company for originating access to telephone exchanges in that jurisdiction. This surcharge is based on the particular state's, county's, or municipality's receipts tax or franchise fee and other jurisdiction's taxes imposed directly or indirectly upon the Company by virtue of, and measured by, the gross receipts or revenues of the Company in that jurisdiction and/or payment of interstate access charges in that jurisdiction. The surcharge will be shown as a separate line item on the Customer's monthly invoice.

**2.5.2 Billing and Collection of Charges**

Bills will be rendered monthly to Customer.

**2.5.2.(A) All service, installation, monthly Recurring Charges and Non-Recurring Charges are due and payable upon receipt.**

**2.5.2.(B) The Company shall present bills for Recurring Charges monthly to the Customer, in advance of the month in which service is provided. Usage charges will be billed in arrears.**

**2.5.2.(C) For new customers or existing customers whose service is disconnected, the charge for the fraction of the month in which service was furnished will be calculated on a pro rata basis. For this purpose, every month is considered to have 30 days.**

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2.5.2.(D) Amounts not paid within 30 days after the date of invoice are considered past due.

2.5.2.(E) Checks with insufficient funds or non-existing accounts will be assessed a penalty fee of \$25.00.

2.5.3 Disputed Bills

The Customer shall notify the Company of any disputed items on a bill within 30 days of receipt of the bill. If the Customer and the Company are unable to resolve the dispute to their mutual satisfaction, the Customer may file a complaint with the Arizona Corporation Commission in accordance with the Commission's rules of procedure.

2.5.3.(A) The date of the dispute shall be the date the Company receives sufficient documentation to enable it to investigate the dispute.

2.5.3.(B) The date of the resolution is the date the Company completes its investigation and notifies the Customer of the disposition of the dispute.

2.5.4 Advance Payments

To safeguard its interests, the Company may require a Customer to make an Advance Payment before services and facilities are furnished. The Advance Payment will not exceed an amount equal to the Non-Recurring Charge (s) and three months' charges for the service or facility. In addition, where special construction is involved, the Advance Payment may also include an amount equal to the estimated Non-Recurring Charges for the special construction and Recurring Charges (if any) for a period to be set between the Company and the Customer. The Advance Payment will be credited to the Customer's initial bill. An Advance Payment may be required in addition to a deposit.

2.5.5 Deposits

2.5.5.(A) Applicants for service or existing Customers whose financial condition is not acceptable to the Company, or is not a matter of general knowledge, may be required at any time to provide the Company a security deposit. All deposits will be handled in accordance with the provisions of the Commission's rules. The deposit requested will be in cash or the equivalent of cash, and will be held as a guarantee for the payment of charges. A deposit does not relieve the Customer of the responsibility for the prompt payment of bills on presentation. The deposit will not exceed an amount equal to:

2.5.5.(A).1 two month's charges for a service or facility which has a minimum payment period of one month; or

2.5.5.(A).2 the charges that would apply for the minimum payment period for a service or facility which has a minimum payment period of more than one month; except that the deposit may include an additional amount in event that a termination charge is applicable. In addition, the Company shall be entitled to require such an applicant or Customer to pay all its bills within a specified period of time, and to make such payments in cash or the equivalent of cash. At the Company's option, such deposit may be refunded to the Customer's account at any time. Also, the Company reserves the right to cease accepting and processing Service Orders after it has requested a security deposit and prior to the Customer's compliance with this request.

2.5.5.(B) A deposit may be required in addition to an advance payment.

2.5.5.(C) When a service or facility is discontinued, the amount of a deposit, if any, will be applied to the Customer's account and any credit balance remaining will be refunded. Before the service or facility is discontinued, the Company may, at its option, return the deposit or credit it to the Customer's account.

2.5.5.(D) Deposits held will accrue interest at a rate specified by the Arizona Corporation Commission.

2.5.6 Discontinuance of Service

2.5.6.(A) Upon nonpayment of any amounts owing to the Company, the Company may, by giving requisite prior written notice to the Customer, discontinue or suspend service without incurring any liability.

2.5.6.(B) Upon violation of any of the other material terms or conditions for furnishing service the Company may, by giving 30 days' prior notice in writing to the Customer, discontinue or suspend service without incurring any liability if such violation continues during that period.

2.5.6.(C) Upon condemnation of any material portion of the facilities used by the Company to provide service to a Customer or if a casualty renders all or any material portion of such facilities inoperable beyond feasible repair, the Company, by notice to the Customer, may discontinue or suspend service without incurring any liability.

2.5.6.(D) Upon the Customer's insolvency, assignment for the benefit of creditors, filing for bankruptcy or reorganization, failing to

- discharge an involuntary petition within the time permitted by law, or abandonment of service, the Company may, with prior notice to the Customer, immediately discontinue or suspend service without incurring any liability.
- 2.5.6.(E) Upon any governmental prohibition, or required alteration of the services to be provided or any violation of any applicable law or regulation, the Company may immediately discontinue or suspend service without incurring any liability.
- 2.5.6.(F) The Company may discontinue the furnishings of any or all service(s) which the Company is legally entitled to disconnect, to a Customer, without incurring any liability:
- 2.5.6.(F).1 Immediately and without notice if the Company deems that such action is necessary to prevent or to protect against fraud or to otherwise protect its personnel, agents, facilities or services. The Company may also discontinue service pursuant to this subsection if the Customer uses the service (a) in such a manner as to interfere with the service of other users; or (b) for unlawful purposes.
- 2.5.6.(F).2 Upon ten (10) days written notice to the Customer, after failure of the Customer to comply with a request made by the Company for security for the payment of service in accordance with Section 2.5.5; or
- 2.5.6.(F).3 Ten (10) days after sending the Customer written notice of noncompliance with any provision of this tariff if the noncompliance is not corrected within that (10) day period; or
- 2.5.6.(F).4 Upon five (5) days written notice for non-payment of a bill for service.
- 2.5.6.(G) The suspension or discontinuance of service(s) by the Company pursuant to this Section does not relieve the Customer of any obligation to pay the Company for charges due and owing for service(s) furnished during the time of or up to suspension or discontinuance.
- 2.5.6.(H) Upon the Company's discontinuance of service to the Customer under Section 2.5.6.(A) or 2.5.6.(B), all applicable charges, including termination charges, shall become due. This is in addition to all other remedies that may be available to the Company at law or in equity or under any other provision of this tariff.

2.6 Allowances for Interruptions of Service

2.6.1 Credit for Interruptions:

2.6.1.(A) When the use of service or facilities furnished by the Company is interrupted due to any cause other than the negligence or willful act of the Customer, or the operation or failure of the facilities or equipment provided by the Customer, a pro rata adjustment of the monthly Recurring Charges subject to interruption will be allowed for the service and facilities rendered useless and inoperative by reason of the interruption whenever said interruption continues for a period of 24 hours or more from the time the interruption is reported to or known to exist by the Company, except as otherwise specified in the Company's tariffs. If the Customer reports a service, facility or circuit to be inoperative but declines to release it for testing and repair, it is considered to be impaired, but not interrupted.

2.6.1.(B) For calculating credit allowances, every month is considered to have 30 days. A credit allowance is applied on a pro rata basis against the monthly Recurring Charges specified hereunder for Local Line or Local Trunk Service and is dependent upon the length of the interruption. Only those facilities on the interrupted portion of the circuit will receive a credit. Credit allowances for service outages that exceed 24 hours in duration will be rounded up to the next whole 24 hours.

2.6.2 Limitations on Allowances

No credit allowance will be made for:

2.6.2.(A) interruptions due to the negligence of, or noncompliance with the provisions of this tariff by, the Customer, Authorized User, Joint-User, or other common carrier providing service connected to the service of Company;

2.6.2.(B) interruptions due to the negligence of any person other than the Company including but not limited to, the Customer or other common carriers connected to the Company's facilities;

2.6.2.(C) interruptions due to the failure or malfunction of non-Company equipment;

2.6.2.(D) interruptions of service during any period in which the Company is not given full and free access to its facilities and equipment for the purpose of investigating and correcting interruptions;

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- 2.6.2.(E) interruptions of service during a period in which the Customer continues to use the service on an impaired basis;
- 2.6.2.(F) interruptions of service during any period when the Customer has released service to the Company for maintenance purposes or for implementation of a Customer order for a change in service arrangements;
- 2.6.2.(G) interruption of service due to circumstances or causes beyond the control of the Company.

2.6.3 Use of Alternative Service Provided by the Company: Should the Customer elect to use an alternative service provided by the Company during the period that a service is interrupted, the Customer must pay the tariffed rates and charges for the alternative service used.

2.7 Cancellation of Service

2.7.1 Cancellation of Application for Service

- 2.7.1.(A) Applications for service are noncancellable unless the Company otherwise agrees. Where the Company permits the Customer to cancel an application for service prior to the start of service or prior to any special construction, no charges will be imposed except for those specified below.
- 2.7.1.(B) Where, prior to cancellation by the Customer, the Company incurs any expenses in installing the service or in preparing to install the service that it otherwise would not have incurred, a charge equal to the costs the Company incurred, less salvage, shall apply, but in no case shall this charge exceed the sum of the charge for the minimum period of service ordered, including installation charges, and all charges others levy against the Company that would have been chargeable to the Customer had service begun.
- 2.7.1.(C) The special charges described in 2.7.1.(A) and 2.7.1.(B) will be calculated and applied on a case-by-case basis.

2.7.2 Cancellation of Service by the Customer

If a Customer cancels a Service Order or terminates services before the completion of the term for any reason whatsoever other than a service interruption (as defined in 2.6.1 above), Customer agrees to pay to the Company the following sums which shall become due and owing as of the effective date of the cancellation or termination and be payable within the period set forth in 2.5.2: all costs, fees and expenses reasonable incurred in connection with:

- all Non-Recurring Charges reasonably expended by the Company to establish service to the Customer, plus

- any disconnection, early cancellation or termination charges reasonably incurred and paid to third parties by the Company on behalf of the Customer, plus
- all Recurring Charges specified in the applicable Service Order tariff for the balance of the then current term.

## 2.8 Transfer and Assignments

Neither the Company nor the Customer may assign or transfer its rights or duties in connection with the services and facilities provided by the Company without the written consent of the other party, except that the Company may assign its rights and duties (a) to any subsidiary, parent company or affiliate of the Company; (b) pursuant to any sale or transfer of substantially all the assets of the Company; or (c) pursuant to any financing, merger or reorganization of the Company.

## 2.9 Notices and Communications

- 2.9.1 The Customer shall designate on the Service Order an address to which the Company shall mail or deliver all notices and other communications, except that Customer may also designate a separate address to which the Company's bills for service shall be mailed.
- 2.9.2 The Company shall designate on the Service Order an address to which the Customer shall mail or deliver all notices and other communications, except that Company may designate a separate address on each bill for service to which the Customer shall mail payment on that bill.
- 2.9.3 All notices or other communications required to be given pursuant to this tariff will be in writing. Notices and other communications of either party, and all bills mailed by the Company, shall be presumed to have been delivered to the other party on the third business day following deposit of the notice, communication or bill with the U.S. Mail or a private delivery service, prepaid and properly addressed, or when actually received or refused by the addressee, whichever occurs first.
- 2.9.4 The Company or the Customer shall advise the other party of any changes to the addresses designated for notices, other communications or billing, by following the procedures for giving notice set forth herein.

## 2.10 Taxes, Fees and Surcharges

The Company reserves the right to bill any and all applicable taxes, fees and surcharges in addition to normal rates and charges for services provided to the Customer. Taxes and fees include, but are not limited to: Federal Excise Tax, State Sales Tax, Municipal Tax, and Gross Receipts Tax. Unless otherwise specified in this tariff, such taxes, fees and surcharges are in addition to rates as quoted in this tariff and will be itemized separately on Customer invoices

## 2.11 Arizona Universal Service Fund (AUSF)

In addition to all other taxes and fees that are listed herein or passed through in the normal course of business (e.g. sales tax), the Company shall also add an amount to be collected to each bill for recovery of the Arizona Universal Service Fund (AUSF).

Towards the ultimate goal that basic service be available and affordable to all citizens of the state, the Arizona Corporation Commission has created support mechanisms to assist in the provision of such service in high-cost areas. Pursuant to Arizona Administrative Code, R14-2, Article 12, the Rule directs that the surcharge will be levied on all telecommunications service purchased by end-users.

The Arizona Universal Service Fund (AUSF) surcharge will be the amount set forth in the Arizona Administrative Code, R14-2, Article 12. The percentage and amounts set forth will be subject to periodic adjustment by the Company.

### **SECTION 3 - SERVICE AREAS AND LOCATIONS**

#### **3.1 Exchange Service Areas**

Local exchange services are provided, subject to availability of facilities and equipment, in areas currently served by the following Incumbent LEC

##### **3.1.1 Qwest Communications, Inc.**

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**SECTION 4 SERVICE OFFERINGS, RATES & CHARGES**

**4.1 Local Exchange Service:**

**4.1.1 General:** Local Exchange Access Service (Switching and Access Line) provides an access line and the ability to switch or complete a call made by one end user assigned a number within one Telephone Company exchange to another end user assigned a number within a different Telephone Company exchange. This service also provides access to interexchange services that are billed separately. The Telephone Company offers limited optional expanded calling area plans (interexchange services) as described below. Local Exchange Access Service also includes a listing of the end users telephone number in the local telephone directory

**4.1.2 Local Exchange Service Offerings:** The Company's Local Exchange Service provides a Customer with the ability to connect to the Company's switching network. Local Exchange Service provides the Customer with a single, voice-grade communications channel. Each local line will include a telephone number. Local Exchange Service is available in the following offerings:

**4.1.2.(A) Basic Service:** Each Basic local line includes the following standard features at no additional charge:

- place or receive calls to any calling Station in the local calling area, as defined herein;
- access enhanced 911 Emergency Service where available;
- access the interexchange carrier selected by the Customer for interLATA, intraLATA, interstate or international calling;
- access Operator Services;
- access Directory Assistance;
- place or receive calls to 800 telephone numbers; and
- access Telecommunication Relay Service.

**4.1.2.(B) Optional Features:** A Local Exchange Customer may order, in addition to the standard features, the following optional features, at the rates specified in Section 4.1.4.

**Call Forward Busy**

Local Exchange and Long Distance Telecommunications Services

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Call Forward No Answer

Call Forward Variable

Call Hold

Calling Number Delivery

Call Park

Call Pickup, Group

Call Waiting

Conference Three-Way

Message Waiting

Serial Hunting

Speed Call (up to 8 numbers)

Calling Number Delivery (Caller ID)

Calling Number Delivery Blocking (Per Line)

4.1.2.(C) Expanded Service Bundle: Customers may select up to 4 of the optional features listed in Section 4.1.2.(B); additional features in excess of 4 will be available at the rates specified in Section 4.1.4.

4.1.2.(D) Local Line Rates and Charges: A Local Line Customer will be charged applicable Non-Recurring Charges, monthly Recurring Charges and Message charges as specified in Sections 4.1.2.(D).1, 4.1.2.(D).2, and 4.1.2. (D).3. respectively.

4.1.2.(D).1 Non-Recurring Charges (Maximum)

Service Connection Charge (per line)	\$150.00
Subsequent Account Changes (per order)	\$150.00
Presubscription Charge (first line)	
Presubscription Charge (additional lines)	
Line Restoral Charge	\$100.00
Premises Hourly Work Charge	\$130.00
Misdirect Charges	\$218.00

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ISSUED: August \_\_, 2010

EFFECTIVE: August \_\_, 2010  
1518029v5

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Scottsdale Arizona 85256

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Optional Feature Activation (per order) \$25.00

**NOTE:** Non-recurring account change charges will not apply during the initial 30 day period following completion of a service order.

4.1.2.(D).2 Monthly Recurring Charges (Maximum)

Basic Local Exchange - Line Charge	\$60.80
Options Bundle - Line Charge	\$100.00
Optional Features:	
Call Forward Busy	\$12.00
Call Forward No Answer	\$12.00
Call Forward Variable	\$12.00
Call Hold	\$12.00
Calling Number Delivery	\$12.00
Calling Number Delivery	\$12.00
Blocking	\$12.00
Call Park	\$12.00
Call Pickup, Group	\$12.00
Call Waiting	\$12.00
Conference Three Way	\$12.00
Message Waiting	\$12.00
Serial Hunting	\$12.00
Speed Call (up to 8 numbers)	\$12.00

4.1.2.(D).3 Usage Rates: The rates in Section 4.1.4 will apply.

4.1.3 **Local Trunk:** Local Trunk(s) provide Customer with voice-grade communication channel(s) to the Customer's Private Branch Exchange ("PBX") or Hybrid Key System. Local Trunks can be provisioned as either analog or digital and will be provided in the following manner:

Local Exchange and Long Distance Telecommunications Services

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- 4.1.3.(A) **Basic Local Trunk:** Basic Local Trunk Service can be used to carry one-way outbound traffic, one-way inbound or two-way traffic.
- 4.1.3.(B) **Digital Local Trunk:** Digital Local Trunk service provides a DS-1 digital transmission facility operating at 1.544 Mbps and time division multiplexed into 24 channels for the connection of Basic or DID Trunks to the Customer's PBX or trunk-capable Key System. Local Trunk - Digital can be used to carry one-way outbound traffic, one-way inbound or two-way traffic, Direct Inward Dialing, or a combination thereof.
- 4.1.3.(C) **Optional Local Trunk Configurations:**
- 4.1.3.(C).1 **One-Way Outbound:** Provides the Customer with a single analog connection which is restricted to carry outbound traffic only.
- 4.1.3.(C).2 **One-Way Inbound or Two-Way:** Provides the Customer with individual channels which are used to carry one-way inbound or two-way traffic. One common telephone number will be provided per trunk group.
- 4.1.3.(C).3 **Direct Inward Dialing ("DID"):** Provides the Customer with individual channels which can carry one-way inbound traffic. Local Trunks configured for DID service will out pulse the dialed station number to the Customer's PBX or Key equipment, thereby, permitting direct routing of the call without the aid of an attendant. The number of digits to be outpulsed must be specified by the Customer

Additional set-up charges and number charges apply for local trunks configured for DID service as specified in Section 4.1.2.(E).

4.1.3.(D) **Local Trunk Features:**

4.1.3.(D).1 **Standard Features (no additional charge):**

Touch Tone

Presubscription

One Directory Listing

Calling Number Delivery Blocking (per call)

Toll Restriction

900/976 Blocking

Least Idle or Most Idle Trunk Selection (digital trunks only)

4.1.3.(D).2 **Optional Features:** The following optional features are available with appropriately configured local trunks at the rates specified in Section 4.1.2.(E).

Calling Number Delivery

Serial Hunting

Direct Inward Dialed (DID) Numbers

4.1.3.(E) **Local Trunk-Rates and Charges:** A Local Trunk Customer will be charged applicable Non-Recurring Charges, monthly Recurring Charges and usage charges as specified in this Section.

4.1.3.(E).1 Monthly Recurring Charges (Maximum)

Local Trunk - Basic	\$115.00
Local Trunk - Digital	\$115.00
Private Line Transport Service Channel Termination	\$175.00

Optional Features:

Calling Number Delivery	\$12.00
Calling Number Delivery Blocking(per line)	\$12.00
Serial Hunting	\$12.00
DID Numbers (per block of 20)	\$12.00

Rates for a volume of numbers greater than 200 will be provided on an Individual Case Basis.

4.1.3.(E).2 Usage Rates: Local Trunk Usage Rates as specified in section 4.1.4 will apply.

4.1.3.(E).3 Non-Recurring Charges (Maximum)

Installation Charge - per local trunk	\$112.00
Per DS1 Private Line Transport Service	\$313.00

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Per Trunk Group Configured for DID Svc. \$95.00

Subsequent Account Changes (Changes, Additions per order)

Service Changes (redirections etc.) \$65.00

Presubscription Change Charge

(Per change, 1st trunk) \$5.00

(Per change, additional trunks) \$5.00

Line Restoral Charge \$25.00

(Applies for trunk restoral after temporary interruption of service initiated by the Company. If service is temporarily interrupted and payment is not received within 10 days following the interruption, the Company reserves the right to discontinue service. If service is discontinued and subsequently re-established, charges apply as for a new installation of service.)

**NOTE:** Non-recurring account change charges will not apply during the initial 30 day period following completion of a service order.

4.1.4 **Usage Options:** All Local Exchange Service Customers must order one of the following usage options. These rates will apply to all outgoing direct-dialed calls placed to Stations within the caller's local exchange area, as defined herein.

4.1.4.(A) **Per Message Rate:** The following rates will be applied on a per call basis, regardless of the duration of the call.

Per Call (Maximum) \$0.15

4.1.4.(B) **Unlimited Local Calling (Residential Customers Only):**

Per Month (Maximum) \$35.95

4.2 **Directory Assistance**

A Customer may obtain Local Directory Assistance in determining telephone numbers within its local calling area by calling the Directory Assistance operator. Directory Assistance includes the option for call completion to the requested number at no additional charge.

4.2.1 Each call to Directory Assistance will be charged as follows:

Per call Maximum

Local Exchange and Long Distance Telecommunications Services

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Direct Dialed	\$5.00
Operator Assisted	\$14.00

The Customer may request a maximum of two telephone numbers per call to Directory Assistance service without additional charges.

4.2.2 Credits

A credit will be given for calls to Directory Assistance only as follows: (1) the Customer experiences poor transmission or is cut-off during the call; or (2) the Customer is given an incorrect telephone number. To obtain such a credit, the Customer must notify its Customer Service representative.

4.3 Operator Assistance

A Customer may obtain the assistance of a local operator to complete local exchange telephone calls in the following manner. In addition to the rates specified in Section 4.1, surcharges as specified in Section 4.3.1 will apply:

Third Number Billing: Provides the Customer with the capability to charge a local call to a third number which is different from the called or calling party. The party answering at the third number has the option to refuse acceptance of the charges in advance or when queried by the operator.

Collect Calls: Provides the Customer with the capability to charge a call to the called party. On the operator announcement of a collect call, the called party has the option to refuse acceptance of charges in advance or when queried by the operator.

Calling Cards: Provides the Customer with the capability to place a call using a calling card with or without the assistance of an operator.

Person to Person: Calls completed with the assistance of an operator to a particular Station and person specified by the caller. The call may be billed to the called party.

Station to Station: Calls completed with the assistance of an operator to a particular Station. The call may be billed to the called party.

4.3.1 Operator Assisted Surcharges: The following surcharges will be applied on a per call basis.

	<u>Maximum</u>
Calling Card/Operator	\$12.00
Calling Card/Automatic	\$10.00
Third Number Billing	\$10.00
Collect Calling	\$10.00
Person to Person	\$24.00

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Station to Station \$12.00

4.3.2 **Busy Line Verification and Interrupt Service:** Busy Line Verification and Interrupt Service, which is furnished where and to the extent that facilities permit, provides the Customer with the following options:

4.3.2.(A) **Busy Line Verification:** Upon request of the calling party, the Company will determine if the line is clear or in use and report to the calling party.

4.3.2.(B) **Busy line Verification with Interrupt:** The operator will interrupt the call on the called line only if the calling party indicates an emergency and requests interruption.

4.3.2.(C) **Rates:** Rates for Busy Line Verification and Interrupt Service, as specified below, will apply under the following circumstances:

4.3.2.(C).1 The operator verifies that the line is busy with a call in progress or is available for incoming calls.

4.3.2.(C).2 The operator verifies that the called number is busy with a call in progress and the Customer requests interruption. The operator will then interrupt the call, advising the called party the name of the calling party. One charge will apply for both verification and interruption.

	<u>Maximum</u>
Busy Line Verification	\$12.00
Busy Line Interrupt	\$24.00

4.4 **Directory Listings**

The Company shall provide a single directory listing, termed the primary listing, in the telephone directory published by the local exchange provider in the Customer's exchange area of the Station number which is designated as the Customer's main billing number. Directory listing of additional Company Station numbers, other than the Customer's main billing number, associated with a Customer's service will be provided for an additional monthly recurring charge per listing.

4.4.1 The Company reserves the right to limit the length of any listing in the directory by the use of abbreviations when, in its judgment, the clearness of the listing or the identification of the Customer is not impaired thereby. When more than one line is required to properly list the Customer, no additional charge is made.

- 4.4.2 The Company may refuse a listing which is known not to constitute a legally authorized or adopted name, contains obscenities in the name, or any listing which, in the opinion of the Company, is likely to mislead or deceive calling persons as to the identity of the listed party, or is a contrived name used for advertising purposes or to secure a preferential position in the directory or is more elaborate than is reasonably necessary to identify the listed party. The Company, upon notification to the Customer, will withdraw any listing which is found to be in violation of its rules with respect thereto.
- 4.4.3 Each listing must be designated Government, Business, or Residence to be placed in the appropriate section of the directory. In order to aid the user of the directory, and to avoid misleading or deceiving the calling party as to the identity of the listed party, only business listings may be placed in the Business Section and only residential listings in the Residential Section. The Company, upon notification to the Customer, will withdraw any listing which is found to be in violation of its rules with respect thereto.
- 4.4.4 In order for listing to appear in an upcoming directory, the Customer must furnish the listing to the Company in time to meet the directory publishing schedule.
- 4.4.5 Directory listings are provided in connection with each Customer service as specified herein.
- 4.4.5.(A) **Primary Listing:** A primary listing contains the name of the Customer, or the name under which a business is regularly conducted, as well as the address and telephone number of the Customer. This listing is provided at no additional charge.
- 4.4.5.(B) **Additional Listings:** In connection with local exchange service, additional listings are available only in the name of Authorized Users of the Customer's service, as defined herein. Rates for additional listings are specified in Section 4.4.5.(H) and 4.4.5.(I).
- 4.4.5.(C) **Nonpublished Listings:** Listings that are not printed in directories nor available from Directory Assistance.

A Nonpublished Telephone Service will be furnished, at the Customer's request providing the omission or deletion of the Customer's telephone listing from the telephone directory and, in addition, the Customer's telephone listing will be omitted or deleted from the directory assistance records, subject to the provisions set forth in Section 2.1.4. Rates for Nonpublished Listings are specified in Sections 4.4.5.(H) and 4.4.5.(I).

- 4.4.5.(D) **Nonlisted Numbers:** A Nonlisted number will be furnished at the Customer's request, providing for the omission or deletion of the Customer's listing from the telephone

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directory. Such listings will be carried in the Company's directory assistance and other records will be given to any calling party. Rates for Nonlisted Numbers are specified in Sections 4.4.5.(H) and 4.4.5.(I).

4.4.5.(E) **Foreign Listings:** Where available, a listing in a phone directory which is not in the Customer's immediate calling area. The Customer will be charged the rates specified in the tariff published by the specific exchange carrier providing the Foreign Listings.

4.4.5.(F) **Alternate Call Listings:** Where available, this feature is a listing which references a telephone number which is not the primary listing for the Customer. The Customer must provide written verification that the alternate telephone number is authorized to accept calls.

4.4.5.(G) **Reference Listing:** A listing including additional telephone numbers of the same or another Customer to be called in the event there is not an answer from the Customer's telephone. Charges for reference listings are specified in Section 4.4.5.(H) and 4.4.5.(I).

4.4.5.(H) **Recurring Charges:** Monthly Recurring Charges associated with Directory Listings on a per listing or per number charge are as follows:

	<u>Maximum</u>
Primary Listing	\$10.00
Additional Listing	\$10.00
Reference Listing	\$10.00
Non-Listed Number	\$6.00
Non-Published Number	\$7.00

4.4.5.(I) **Non-Recurring Charges:** Non-Recurring charges associated with Directory Listings on a per listing or per number charge are as follows:

	<u>Maximum</u>
Primary Listing	\$10.00
Additional Listing	\$10.00
Reference Listing	\$10.00

Local Exchange and Long Distance Telecommunications Services

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Non-Listed Number \$6.00

Non-Published Number \$7.00

- 4.5 **Emergency Services (Enhanced 911):** Allows Customers to reach appropriate emergency services including police, fire and medical services. Enhanced 911 has the ability to selectively route an emergency call to the primary E911 provider so that it reaches the correct emergency service located closest to the caller. In addition, the Customer's address and telephone information will be displayed to the primary E911 provider for display at the Public Service Answering Point ("PSAP").
- 4.6 **Vanity Telephone Numbers:** At the request of the Customer, the Company may assign a telephone number with the last four digits selected by the Customer. The assignment is subject to availability of a particular number and subject to the terms and conditions set forth in Section 2.1.3. There will be no charge for Vanity Telephone Numbers.
- 4.7 **Telecommunications Relay Service:** Telecommunications Relay Service enables deaf, hard-of-hearing or speech-impaired persons who use a text telephone or similar devices to communicate freely with the hearing population for using the text telephone and vice versa. The Company does not impose any charge to end users for access to Telecommunications Relay Service. However, persons using this Service are liable for applicable per call/increment charges.
- 4.8 **Presubscription:** Provides Customers with the ability to have message toll or long distance calls routed directly to their carrier of choice without the dialing of any additional digits. Customers may select separate carriers for intraLATA and interLATA calls.
- 4.9 **Promotional Offerings:** The Company, from time to time, may make promotional offerings of its services which may include waiving or reducing the applicable charges for the promoted service. The promotional offerings may be limited as to the duration, the date and times of the offerings and the locations where the offerings are made.
- 4.10 **Trial Service Offering ("TSO")**
- 4.10.1 In the normal course of business the Company, at its discretion, may elect to offer certain services to Customer on a "trial basis."
- 4.10.2 In order to conduct such "trials", the Company will file with the Commission, on at least the minimum notice required by the Commission relative to such service, a Trial Service Offering ("TSO") Supplement.
- 4.10.3 The TSO Supplement will contain a brief description of the trial service(s), features, special agreements, applicable rates and regulations. In addition, the Supplement will include specific information as to the availability and estimated duration of the Trial Service Offering.

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ISSUED: August \_\_, 2010

EFFECTIVE: August \_\_, 2010  
1518029v5

Bill Bryant, General Manager  
Re-Invent Telecom, LLC  
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Scottsdale Arizona 85256

4.10.4 The filing of a TSO Supplement does not obligate the Company to continue the trial service beyond the stated trial period or to offer said service as a general tariffed offering in the future.

4.10.5 Service(s) provided hereunder are subject to all other applicable provisions in the tariffs of the Company lawfully on file with the Commission. However, the TSO rates and charges will supersede applicable general tariff rates and charges for the duration of the trial period.

#### 4.11 Individual Case Basis ("ICB") Arrangements

Arrangements will be developed on a case-by-case basis in response to a bona fide request from a Customer or prospective Customer to develop a competitive bid for a service offered under this tariff. Rates quoted in response to such competitive requests may be different than those specified for such service in this tariff. ICB rates will be offered to the Customer in writing and on a non-discriminatory basis and will be filed with the Arizona Corporation Commission.

### SECTION 5 Miscellaneous Service Agreements

#### 5.1 Telephone Number Reservation Service

##### 5.1.1 General

Customers may reserve a telephone number for future use. No outward or inward service is provided during the reservation period. Calling Card or Third Number long distance charges may be charged to a number that is reserved.

This service may begin and end on any day of the month, provided sufficient advance notice is given. It may be used by an existing customer (i.e. during extended vacations, etc.) or a new customer prior to the establishment of normal telephone service.

Charges may be billed in total upon the initialization of this service or monthly at the option of the Telephone Company.

##### 5.1.2 Rates

The monthly rate will be based upon 50% of the Business or Residence monthly access line rate with a minimum of 30 days. Other charges associated with local exchange service, such as Interstate End User Charges and E-911 taxes, will not apply.

#### 5.2 Direct Inward Dialing ("DID") Service

##### 5.2.1 General

Direct Inward Dialing (DID) Service to customer premises located switching systems is furnished subject to the availability of facilities and the availability of telephone numbers. DID telephone numbers are normally provided on a consecutive number basis. These numbers may

be provided on a nonconsecutive number basis when it is acceptable to the customer and the Telephone Company.

The Telephone Company retains its rights to the administration and use of telephone numbers as described in Section 5 of this tariff. The service includes the serving office equipment necessary for direct inward dialing from the exchange and long distance message telecommunications network directly to station lines and attendant positions associated with customer premises located switching systems.

The charges for this service are in addition to the applicable charges for other services which may be provided.

Operational characteristics of interface signals between the Telephone Company's central office switch and the customers equipment must conform to the standards necessary to insure that the Telephone Company is able to maintain proper standards of service. The Telephone Company shall not be responsible to the customer or authorized user if changes in protection criteria or in any of the facilities, operations or procedures of the Telephone Company render any facilities of the customer or authorized user obsolete or affect its use or performance. The customer premises located switching equipment must be arranged to provide for intercept of unused numbers transmitted to the customer location.

Directory listings will be provided in accordance with the regulations in Section 4.4 of this tariff for listed number groups. DID numbers furnished herein are not entitled to free directory listings.

#### 5.2.2 Rates

The rates and charges for the service contemplate the use of standard Company equipment and serving arrangements. The rate for DID service is normally broken down into two increments, the first, is billed on a rate per 100 numbers and the second is a charge per line. However, the Telephone Company will offer this service in minimum increments of 20 numbers for the small business market. The rate for the reservation of a group of 20 numbers will be 1/5 of the charge to reserve 100 numbers. DID service requires 10 lines per 100 numbers for a 100 number group and 2 lines for a twenty number group.

The Nonrecurring Charges will apply when the service is established and/or when changes or additions are made to an existing group of numbers. This will include the addition of numbers, the deactivation of a group of numbers or charges in the number groups themselves.

The applicable rates are as follows:

	<u>Maximum Charges</u>	
	<u>Non-Recurring</u>	<u>Monthly</u>
Charge to reserve a group of 100 numbers	\$16.75	\$20.00
DID Access Line (subsequent account change)	\$150.00	\$30.70

There will also be a one time installation fee for DID services of two hundred dollars (\$200.00). The normal service charges apply in addition to any service charges for this service.

### 5.3 Foreign Exchange ("FX") Service

#### 5.3.1 Description

Foreign Exchange ("FX") Service is exchange service furnished to a customer from an exchange other than the exchange in which he is physically located.

One directory listing is provided for FX Service in the exchange where the customer's dial tone is obtained. Additional listings will be furnished at regular rates as specified in the foreign exchange company's tariff. Listings in other directories (other than the dial tone company) will be furnished at the regular rates for foreign listings.

#### 5.3.2 Limitations

5.3.2.(A) The Company does not obligate itself to provide this service under all conditions. This service will not be provided where it involves undue expense or impairment of the service furnished to the general subscriber. FX Service will not be furnished with pay station service.

5.3.2.(B) The rates for FX Access Line service are those in effect in the serving (foreign) exchange.

5.3.2.(C) All Optional Calling Feature rates are those in effect in the serving (foreign) exchange.

5.3.2.(D) Use of FX facilities to resell toll services is prohibited.

#### 5.3.3 Rate Elements

5.3.3.(A) FX Access Lines provide the access line, dial tone, and ability to switch a call in a Telephone Company exchange. This rate element applies when a customer orders an FX service with a telephone number and dial tone provided by the Telephone Company.

5.3.3.(B) Loss of Toll is a charge assessed on all FX services, regardless of whether the Telephone Company or a connecting carrier provides the dial tone for the FX service. This charge is required to partially compensate the Telephone Company for access revenues that would otherwise be billed if the calls placed using the FX service were placed using the switched toll network.

5.3.3.(C) Special Access Rate elements apply from the central office that provides the FX Access Line to the customer premises where the FX service terminates.

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5.3.3.(D) Service order charges in Sections 7 and 19 apply.

5.3.4 Rates (Maximum)

	<u>Access Line</u>	<u>Lost Toll Charge</u>
Business FX Access Line	\$47.21	\$15.00
Residence FX Access Line	\$42.21	\$15.00

In addition to these FX charges, the appropriate Special Access rate elements and Service Charges apply.

5.4 Called Party Pay Service

5.4.1 Description

Called Party Pay service is offered to both business and residence subscribers. It will allow the customer to designate a group of exchanges in the surrounding area from which it will accept calls on a toll free basis to the calling party. The customer pays for this service on the basis of the amount of usage each month. The service allows a business to make itself more accessible to the market in the surrounding area and enables customers and potential customers of that business to call into that entity at no charge.

5.4.2 Limitations

Called Party Pay Service is only offered in those areas where the necessary facilities are available.

5.4.3 Rates

The service is provided jointly with the connecting company. Rates are based on the joint, cost of providing the service. Rates are developed on an individual case basis when the service is ordered.

5.5 Private Line Service

5.5.1 Private Service is the furnishing of Company facilities for communication purposes between specified customer locations. Service is furnished 7 days per week, 24 hours per day for a minimum billing period of one month.

The services provided under this tariff will include any Company facilities to that point where provision is made for termination of the Company's outside distribution network facilities at the customer distribution network facilities at the customer designated premises. Any customer requested work past this point of termination will be furnished on a deregulated time and material basis, and will become the property of the customer.

Services provided to the Point of Termination (POT) shall be maintained by the Company. Facilities on the premises of a customer, furnished by the Company to the POT, are

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the property of the Company, whose employees shall have the right to enter said premises for the purpose of installing, inspecting or repairing the facilities.

Private Line Service may be provided jointly by more than one Telephone Company. Each Telephone Company will provide the portion of the transport facilities in its operating territory to an Interconnection Point with the other telephone company. Each company will bill the customer for their portion of the private line service.

#### 5.5.2 Application of Rates and Charges

There are two types of rates and charges for Private Line Services. These are nonrecurring charges and monthly rates. The one time nonrecurring charges that apply are: Service Provisioning (Initial and/or Subsequent), Channel Performance, Transport Mileage, and Optional Features.

The Initial Service Provisioning Charge applies toward the processing, engineering, and design functions, per customer request, for work to be performed on one circuit. Requests for additional work to be performed on existing circuit(s) will also be billed an Initial Service Provisioning Charge.

Subsequent Service Provisioning Charge applies per circuit(s) when:

5.5.2.(A) At the same time as the initial circuit is requested, a customer orders identical additional circuit(s), due the same date, for the same type of service at the same location.

5.5.2.(B) At the same as a request for additional work on an existing circuit, a customer requests the same additional work to be performed on identical existing circuit(s), due the same date, for the same type of service and exact Network Channel/Network Channel Interfact combinations, at the same location.

5.5.2.(C) Customer Service Arrangement

If standard Channel Performance packages or available Optional Features and Functions are not adequate to meet a specific customer requirement, the customer may request and the company may develop a customer package where facilities permit. Both the monthly rate and the nonrecurring charges for the features will be developed on an individual case basis (ICB).

5.5.2.(D) Interstate Private Line Service Rates

This service will be billed according to the National Exchange Carrier Association (NECA) tariff rates on file with the Federal Communications Commission (FCC).

5.5.2.(E) Intraexchange, State IntraLATA or State InterLATA Private Line Service Rates

Local Exchange and Long Distance Telecommunications Services

5.5.2.(E).1 Low-Speed Data Basic Circuit

These unconditioned channels are capable of transmitting low speed varying signals at rates up to 30 baud or binary signals at rates of 0-150 baud. Low-Speed Data channels are furnished and rated from a POT. These channels are furnished on a two-point or multipoint basis.

5.5.2.(E).2 Low-Speed Data Service Rates

	Nonrecurring Charge	Monthly Rate
<b>SERVICE PROVISIONING CHARGE</b>		
Initial	\$313.20	NONE
Subsequent	\$163.20	NONE
<b>NETWORK ACCESS CHANNEL (NAC) - Per termination</b>		
2-wire	NONE	\$ 9.60
4-wire	NONE	\$19.20
<b>CHANNEL PERFORMANCE (CP) - Per Termination</b>		
LS1	\$ 96.00	\$ 6.00
LS2	\$ 98.40	\$ 19.20
MT3	\$ 94.80	\$ 1.80
TG1	\$100.80	\$ 36.00
TG2	\$ 99.60	\$ 42.00
Custom	ICB	ICB
End-To-End		
Per termination		
LS31 Control Status Channel	\$ 96.00	\$ 16.02
LS31 McCulloh Alarm-Type	\$ 96.00	\$ 5.54
LS31 DC Channel	\$ 94.80	\$ 1.80

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LS31 Telegraph 0 to 75 baud	\$ 99.60	\$ 36.00
LS31 Telegraph 0 to 150 baud	\$105.60	\$ 42.00
<u>TRANSPORT MILEAGE ("TM")</u>	Nonrecurring Charge	Monthly Rate
Mileage Bands		
up to 8 miles, fixed	\$ 61.20	\$ 15.06
up to 8 miles, per mile	NONE	\$ 0.96
8 to 25 miles, fixed	\$ 61.20	\$ 14.58
8 to 25 miles, per mile	NONE	\$ 1.02
25 to 50 miles, fixed	\$ 61.20	\$ 14.58
25 to 50 miles, per mile	NONE	\$ 1.26
over 50 miles, fixed	\$ 61.20	\$ 10.20
over 50 miles, per mile	NONE	\$ 1.32
<u>OPTIONAL FEATURES AND FUNCTIONS7</u>	Nonrecurring Charge	Monthly Rate
McCulloh Bridging-per port	\$ 2.58	\$ 4.56
Telegraph Bridging-per port, 0 to 75 baud	\$ 5.18	\$ 5.52
Telegraph Bridging-per port, 0 to 150 baud	\$ 7.38	\$ 56.40
Direct Bridging-per port	NONE	\$ 3.42

5.5.2.(F) Voice Grade Intraexchange, State IntraLATA or State InterLATA Private Line Service Rates

5.5.2.(G) Voice Grade circuits are designed to meet certain specifications based on Industry standards for voice transmission, data transmission, remote metering, telephoto and miscellaneous signaling purposes. Circuits are furnished as either two-wire or four-wire on a two-point or multi-point basis.

5.5.2.(H) The Private Line End-to-End Voice Grade Channel Performance Service Categories:

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VG32 - is suitable for use as a two-point or multipoint line-type circuit. The basic channel is modified with Channel Performance providing no signaling, loop-start, automatic, manual or code-select signaling. Data capability may be added to specific combinations of loop-start signaling circuits. The loop-start signaling option provides the additional capabilities of extending the signaling ranges and of offering repeated ringing for PBX station ports.

VG33 - is suitable for use as a two-point trunk type circuit. The basic channel is modified with Channel Performance providing no signaling or E&M signaling. Data capability may be added to specific combinations of E&M or ground-start signaling circuits.

VG36 - is suitable for use as a two-point or multi-point voice grade (analog) circuit. All channels are provided with basic data transmission parameters modified by the appropriate Channel Performance. Additional conditioning parameters may be added to the basic Channel Performance. These conditioning parameters allow the section of attenuation distortion/envelope delay and intermodulation distortion as needed.

Voice Grade Basic (VGB) Service - is a two-point and two wire transmission service designed to provide a low cost communication path between two locations served from the same wire center. This service does not provide technical specifications or signaling. There is also no guarantee of continuity.

Voice Grade Custom (VGC) Service - is a voice grade service that may be "customized" by specifying any of the technical specifications for VG32 through VG36. The specifications and interfaces chosen must be compatible, technically feasible, and available.

5.5.3 Rates

	Nonrecurring Charge	Monthly Rate
<b>SERVICE PROVISIONING CHARGE</b>		
Initial	\$313.20	NONE
Subsequent	\$163.20	NONE
<b>NETWORK ACCESS CHANNEL (NAC) - Per Termination</b>		
2-wire	NONE	\$ 9.60
4-wire	NONE	\$ 19.20
<b>CHANNEL PERFORMANCE (CP)</b>		
End-To-End		
Per Termination		
<b>Voice Grade 32</b>		

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	Nonrecurring Charge	Monthly Rate
No Signaling	\$ 92.40	\$ 9.66
Loop-Start Signaling		
Loop-Start Signaling, Type - LA	\$108.00	\$ 21.60
Loop-Start Signaling, Type - LB	\$108.00	\$ 19.20
Loop-Start Signaling, Type - LC	\$108.00	\$ 17.40
Loop-Start Signaling, Type - LG	\$109.20	\$ 22.20
Loop-Start Signaling, Type - LO	\$110.40	\$ 12.00
Loop-Start Signaling, Type - LS	\$109.20	\$ 13.80
Manual ringdown	\$106.80	\$ 12.60
Auto ringdown	\$112.80	\$ 15.60
Code-select ringdown	\$108.00	\$ 12.60
<u>Voice Grade 33</u>		
No Signaling	\$ 91.20	\$ 11.40
E&M Signaling	\$111.60	\$ 25.80
Reverse Battery Signaling (1)	\$117.60	\$ 9.48
<u>Voice Grade 36 Data Stream</u>	\$115.20	\$ 32.40
<u>Voice Grade Basic</u>		
No Signaling	\$ 60.00	\$ 3.60
Custom	ICB	ICB
NOTE 1: Available to Radio Common Carriers within the same wire center only.		
<u>TRANSPORT MILEAGE ("TM")</u>		
<u>Mileage Bands</u>		
up to 8 miles, fixed	\$ 61.20	\$ 15.06
up to 8 miles, per mile	NONE	\$ 0.96
8 to 25 miles, fixed	\$ 61.20	\$ 14.58
8 to 25 miles, per mile	NONE	\$ 1.02
25 to 50 miles, fixed	\$ 61.20	\$ 14.58

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	<b>Nonrecurring Charge</b>	<b>Monthly Rate</b>
25 to 50 miles, per mile	NONE	\$ 1.26
over 50 miles, fixed	\$ 61.20	\$ 10.20
over 50 miles, per mile	NONE	\$ 1.32
<b>OPTIONAL FEATURES AND FUNCTIONS</b>		
<b>Bridging</b>		
<b>Resistive Bridging (Voice/Data) - per port</b>		
-Two-wire	\$ 10.20	\$ 8.98
-Four-wire	\$ 8.40	\$ 10.74
Bridge Lifter -per port	\$ 4.20	\$ 1.20
<b>Split Frequency Bridging) - per port</b>		
-Two-wire	\$ 6.00	\$ 4.32
-Four-wire	\$ 4.80	\$ 14.64
Passive Bridging -per port	\$ 6.00	\$ 6.30
Summation Bridging - per port	\$ 3.30	\$ 7.02
<b>Transfer Arrangement - per port</b>		
-Two wire	\$ 6.00	\$ 9.38
-Four-wire	\$ 8.40	\$ 8.56
<b>Conditioning -Per NAC</b>		
<b>End-Link or Mid-Link Application</b>		
-C Conditioning	\$ 24.00	\$ 10.68
-Data Capability	\$ 22.80	\$ 1.20
<b>-Improved Attenuation</b>		
Distortion - Improved Envelope Delay	\$ 20.40	\$ .48
Distortion	\$ 19.20	\$ 27.84
<b>End-to-End Application</b>		
-C Conditioning	\$ 24.00	\$10.68
-Data Capability	\$ 22.80	\$ 1.20
<b>-Improved Attenuation</b>		
Distortion - Improved Envelope Delay	\$ 20.40	\$ .48

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Local Exchange and Long Distance Telecommunications Services

	Nonrecurring Charge	Monthly Rate
Distortion	\$ 19.20	\$ 27.84
-C1 Conditioning	\$ 24.00	\$ 10.68
-C2 Conditioning	\$ 24.00	\$ 20.60
-C4 Conditioning	\$ 24.00	\$ 61.82
-D Conditioning	\$ 22.80	\$ 20.60
Data Enhancement (End-to-End Application) - per NAC	\$ 22.80	\$ 2.40
Effective Four-Wire Transmission -per NAC (at the two-wire interface)	\$ 15.60	\$ 22.32
Equal Level Echo Path Loss - per NAC	\$ 14.40	\$ 6.96
Improved Termination - per NAC	\$ 14.40	\$ 5.64
Data Channel Terminating Equipment - per NAC		
Central Office Powered Data Equalization with 2713 Hz tone	\$ 73.20	\$ 1.20
Customer Powered DTMF, Addressable loop back	\$ 73.20	\$ 3.24

5.5.3.(A) Intraexchange, State IntraLATA or State InterLATA 56kbps and 1.544 Mbps Private Line Service Rates

There are two types of service configurations over which these services are provided: two-point service and multipoint service.

5.5.3.(A).1 Two-Point Service

A two-point service connects two customer designated premises, either on a directly connected basis or through a hub where multiplexing functions are performed, or a customer designated premises and a wire center equipped for Frame Relay Access Service, or a customer designated premises and a WATS Serving Office.

Applicable rate elements provided by the Telephone Company are:

- Channel terminations (one per customer designated premises)
- Channel Mileage (Channel Mileage Facility per mile plus 2 Channel Mileage Terminations)
- Access Order charge
- Installation/Rearrangement Charge

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5.5.3.(A).2 Multipoint Service

Multipoint service connects three or more customer designated premises through a Telephone company hub. Only certain types of Private Line Service are provided as multipoint service.

When ordering, the customer will specify the desired bridging hub(s).

Applicable rate Elements provided by the Telephone Company are:

- Channel Terminations (one per customer designated premises)
- Channel Mileage (Channel Mileage Facility per mile as applicable between the serving wire center for each customer designated premises and the hub and between hubs and between the serving wire center and Interconnection Point plus Channel Mileage Terminations as applicable)
- Access Order Charge
- Installation/Rearrangement Charge

5.5.3.(A).3 Fractional T-1 Service

Fractional T-1 channels provide simultaneous, two-way transmission at contiguous bit rates of 128.0, 256.0, and 384.0 kbps. Fractional T-1 channels operate over the combined bandwidth of adjacent channels to create a contiguous bit rate.

Access order and installation charges will be charged at the full T-1 (1.544 Mbps) rate.

Due to technical limitations, fractional T-'s will only be provided where facilities are available and at the discretion of the Company.

5.5.3.(A).4 Rates

	<u>Nonrecurring Charge</u>	<u>Monthly Charge</u>
<u>Access Order Charge - Per Circuit</u>		
-56.0	\$ 97.20	NONE
-1.544 Mbps	\$ 97.20	NONE
<u>Installation/Rearrangement Charge - Per termination</u>		
-56.0 kbps	\$193.20	NONE
-1.544 Mbps	\$217.20	NONE
<u>Channel Termination - Per termination</u>		
Per termination		

### 5.6.1 SS7 Interconnection

When the Customer uses SS7 signaling to set up calls pursuant to this tariff, the Customer shall provide, if available, Calling Party Number (CPN) within the SS7 signaling message. If it is technically infeasible for the Customer to use SS7 signaling, the Customer shall use multi-frequency (MF) signaling. The Customer may elect to arrange for signaling connectivity through a third party provider, which is connected to the Company's SS7 network. Access to SS7 signaling provides service offerings to Customers, including requesting facilities-based carriers/providers seeking access to the Company's Common Channel Signaling (CCS) network including access to signaling ports and links providing a number of access arrangements for use by Customers, including facilities based carriers/providers using their own switching facilities.

The Company CCS network is a digital data network that carries signaling information and interfaces with the voice/data network. The network uses the SS7 protocol, a protocol developed by the Consultative Committee for International Telephone and Telegraph (CCITT) and the American National Standards Institute (ANSI) for signaling functions such as routing, establishing connections and other services. Separate agreements may be required for passing optional services in the SS7 protocol over the CCS network. The Signaling Access Service provides access to the Company CCS network for the purpose of signaling to/from the Company Signaling Points/Signal switching points (SP/SSP) 's

A Customer has the option of connecting to the Company's SS7 network either:

- A. Via a third party, or;
- B. Via another signaling interconnection arrangement agreed upon by Company and Customer on an individual case basis

#### 5.6.1.1 CSAC PIU and POM

For purposes of CCSAC ISUP Call Set-up requests, Percent Other Messages (POM) shall be established by dividing the customer CCSAC ISUP Call Set-up requests (originating and terminating) associated with local, EAS, intraMTA, the Local Exchange Company portion of jointly provided Switched Access and Company originated toll by the total number of CCSAC ISUP Call Set-up requests (originating and terminating) and expressing the result as a percentage in a whole number. CCSAC PIU and POM reports will serve as the basis for prorating the charges. The percentage of a CCSAC rate element to be charged is applied in the following manner:

1. For the following chargeable rate elements:

CCSAC Entrance Facility, Direct Link Transport, CCS Links, STP Port, Multiplexing, TCAP message charges, and all nonrecurring charges; multiply one hundred percent minus the CCSAC PIU times the quantity of chargeable elements times the state Tariff rate per element.

2. For chargeable rate elements associated with ISUP Call Set-up requests, multiply the percent intrastate use (100 minus the sum of the CCSAC PIU plus the CCSAC POM) times the actual use times the stated Tariff rate.

**5.6.1.2 Application of Charges**

The rates that apply for Company Signaling Access Service Rates and charges for Customers' use of the CCSAC/SS7 network will be assessed based on Customer's specific design requirements. Both nonrecurring and monthly recurring rates may be applicable. Rate elements for CCSAC/SS7 are:

(a) Nonrecurring rates. CCSAC Option Activation Charge - Assessed for adding or changing a point code in the signaling network. Company will charge Customer based upon its selection of either basic or database activation.

(b) Recurring Rates.

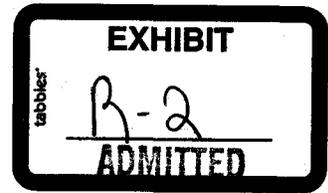
1. Signal Formulation Charge - An ISUP Signal Formulation charge is assessed, per call set-up request, for formulating signaling messages in association with call set-up.

2. Signal Transport Charge - An ISUP Signal Transport charge is assessed, per call set-up request, for signaling messages transported to or from the local STP in association with call setup. A TCAP Signal Transport charge is assessed per data request transported to or from a local STP and destined for a foreign database.

3. Signal Switching Charge - a per call set up request or data charge for switching an 557 message at the local STP. This rate element includes separate charges for ISUP and TCAP messages.

**COMMON CHANNEL SIGNALING/SS7**

Signalling	Access	POM
Signal Formulation, ISUP, per call set-up request	\$0.00829	0
Signal Transport, ISUP, per call set-up request	\$0.00559	0
Signal Transport, TCAP, per data request	\$0.000418	0
Signal Switching, ISUP, per call set-up request	\$0.001162	0
Signal Switching, TCAP, per data request	\$0.000460	0
SCP/Databases - Per Message	\$0.0010	0



BEFORE THE ARIZONA CORPORATION COMMISSION

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DOCKET CONTROL

COMMISSIONERS:  
KRISTIN K. MAYES - Chair  
GARY PIERCE  
PAUL NEWMAN  
SANDRA D. KENNEDY  
BOB STUMP

IN THE MATTER OF THE APPLICATION )	
OF RE-INVENT TELECOM, LLC )	DOCKET NO. T- 20756A-10-0345
FOR APPROVAL OF A CERTIFICATE )	
OF CONVENIENCE AND NECESSITY )	<b>AMENDMENT TO</b>
TO PROVIDE RESOLD AND FACILITIES- )	<b>APPLICATION FOR CERTIFICATE</b>
BASED LOCAL EXCHANGE )	<b>OF CONVENIENCE AND NECESSITY</b>
TELECOMMUNICATIONS SERVICES AND )	
RESOLD AND FACILITIES-BASED LONG )	
DISTANCE TELECOMMUNICATIONS )	
SERVICES )	
_____ )	

Re-Invent Telecom, LLC ("Re-Invent") hereby files the attached Certificate of Good Standing to supplement the Certificate of Existence supplied with the original Application.

Submitted this 17<sup>th</sup> day of December 2010.

By: Joan S. Burke  
Joan S. Burke  
Law Office of Joan S. Burke  
1650 North First Avenue  
Phoenix, Arizona 85003  
Telephone: (602) 535-0396  
Joan@jsburkelaw.com

Attorney for: Re-Invent Telecom, LLC

ORIGINAL and 13 copies of the foregoing  
filed this 17<sup>th</sup> day of December with:

Docket Control  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

Copy of the foregoing hand-delivered  
this 17<sup>th</sup> day of December to:

Armando Fimbres  
Utilities Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

Kimberly Ruht  
Counsel  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

  
4852-0113-1014, v. 1

# STATE OF ARIZONA



Office of the  
**CORPORATION COMMISSION**  
**CERTIFICATE OF GOOD STANDING**

To all to whom these presents shall come, greeting:

I, Ernest G. Johnson, Executive Director of the Arizona Corporation Commission, do hereby certify that

**\*\*\*RE-INVENT TELECOM, LLC\*\*\***

a foreign limited liability company organized under the laws of the jurisdiction of Other / U.s. Federal Gov'ment did obtain a Certificate of Registration in Arizona on the 22nd day of November 2010.

I further certify that according to the records of the Arizona Corporation Commission, as of the date set forth hereunder, the said limited liability company has not had its Certificate of Registration revoked for failure to comply with the provisions of A.R.S. section 29-601 et seq., the Arizona Limited Liability Company Act; and that the said limited liability company has not filed a Certificate of Cancellation as of the date of this certificate.

This certificate relates only to the legal authority of the above named entity as of the date issued. This certificate is not to be construed as an endorsement, recommendation, or notice of approval of the entity's condition or business activities and practices.

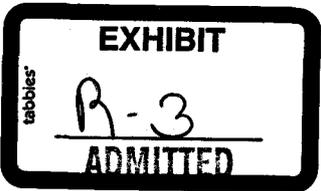
IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Arizona Corporation Commission. Done at Phoenix, the Capital, this 7th Day of December, 2010, A. D.





Executive Director

By: \_\_\_\_\_ 547188



BEFORE THE ARIZONA CORPORATION COMMISSION

**COMMISSIONERS:**  
**GARY PIERCE - Chair**  
**PAUL NEWMAN**  
**SANDRA D. KENNEDY**  
**BOB STUMP**  
**BRENDA BURNS**

IN THE MATTER OF THE APPLICATION )  
OF RE-INVENT TELECOM, LLC ) DOCKET NO. T- 20756A-10-0345  
FOR APPROVAL OF A CERTIFICATE )  
OF CONVENIENCE AND NECESSITY )  
TO PROVIDE RESOLD AND FACILITIES- )  
BASED LOCAL EXCHANGE ) **RE-INVENT'S**  
TELECOMMUNICATIONS SERVICES AND ) **RESPONSE TO STAFF'S**  
RESOLD AND FACILITIES-BASED LONG ) **FIRST SET OF DATA REQUESTS**  
DISTANCE TELECOMMUNICATIONS )  
SERVICES )  
\_\_\_\_\_ )  
Dated March 2, 2011  
Served (Not Filed)

Without waiving objections, Re-Invent Telecom, LLC ("Re-Invent") hereby submits the following responses to Staff's First Set of Data Requests

Submitted this 2, day of March 2011.

By:

  
Joan S. Burke  
Law Office of Joan S. Burke  
1650 North First Avenue  
Phoenix, Arizona 85003  
Telephone: (602) 535-0396  
[JoanSJBurkeLaw.com](http://JoanSJBurkeLaw.com)

Attorney for: Re-Invent Telecom, LLC

**ARIZONA CORPORATION COMMISSION  
STAFF'S FIRST SET OF DATA REQUESTS TO  
RE-INVENT TELECOM, LLC ("RE-INVENT")  
DOCKET NO. T-20756A-10-0345  
FEBRUARY 18, 2011**

**Please provide responses to the following Staff questions. All information responses should be provided in searchable PDF, DOC or EXCEL files via email or electronic media.**

STF 1.1 Does Re-Invent intend to offer facilities-based local exchange services for which it seeks authorization to any end-users or entities other than its affiliates? If yes, please:

**Response: Yes.**

1. Explain which services will be offered to any end-users or entities other than its affiliates,

**Response:** Re-Invent will provide local exchange service, internet, data, and other services to a number of non-affiliate, end-user customers. (More than a half dozen immediate customers and more anticipated customers once the CC&N is granted.)

2. Define or describe the end-user markets and/or entities to which services will be offered other than affiliates, and

**Response:** Re-Invent's typical end-user is a communications reseller that relies on Re-Invent for a package of communications services and complex back office tax, regulatory and licensing services. These customers are not affiliates. Re-Invent is not limited to these customers and expects also to provide communications services to enterprise customers, particularly customers in close proximity to the Salt River Pima Maricopa Indian Community.

3. Provide dates or timeframes when such services are estimated to be available to any end-users or entities other than affiliates.

**Response:** Re-Invent services will be available to non-affiliate end-users shortly after issuance of the Certificate of Convenience and Necessity (within months).

STF 1.2 If Re-Invent answered 'yes', please be aware that the following will be included in Staff Report recommendations:

**"That Re-Invent be approved based upon its representation to the Commission that Re-Invent will be providing local exchange service to end-users in Arizona. Should Re-Invent not provide service directly to end-user customers within one-year of filing its compliance tariff, it shall notify the Commission and file for cancellation of its CC&N."**

Please confirm Re-Invent's understanding of the above recommendation.

**Response:** Re-Invent does not object to inclusion of the above recommendation. Re-Invent intends to provide local dial tone, access line, and local usage within an exchange or local calling area once the certificate of convenience and necessity is issued.

STF 1.3 If Re-Invent answered 'no' in response to STF 1.1, Staff recommends the withdrawal of Re-Invent's application.

**Staff will not recommend approval of a Facilities-Based Local Exchange Services CC&N application in which the applicant does not intend to offer facilities-based local exchange services to any end-users or entities other than its affiliates**

**Response:** Because Re-Invent answered "yes" in response to STF 1.1 STF 1.3 does not apply.