

ORIGINAL

NEW APPLICATION



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December 11, 2014  
Via Overnight Delivery

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

AZ CORP COMMISSION  
DOCKET CONTROL

**RE: Joint Application for Waiver of Slamming Rules and Discontinuance of Service by Matrix Telecom, Inc. and Americatel Corporation**

T-03228A-14-0407

Dear Sir or Madam:

T-03517A-14-0407

Enclosed for filing please find the original and thirteen (13) copies of the above-referenced application filing submitted on behalf of Matrix Telecom, Inc. d/b/a Matrix Business Technologies d/b/a VarTec Telecom d/b/a Clear Choice Communications d/b/a Excel Telecommunications ("Matrix") requesting the Commission to authorize the customer base transfer described in the enclosed application and authorize all applicable local exchange carriers to honor requests by Matrix to change the intrastate long distance service of the customers of its affiliate, Americatel Corporation d/b/a 1010 123 Americatel d/b/a Ametex d/b/a Amextel d/b/a Startec ("Americatel") to Matrix and to subsequently cancel Americatel's intrastate long distance certification and applicable tariff.

Please acknowledge receipt of this filing by date-stamping the extra copy of this cover letter and returning it to me in the self-addressed, stamped envelope provided for that purpose.

Any questions you may have regarding this filing should be directed to my attention at 407-740-3001 or via email to [tforte@tminc.com](mailto:tforte@tminc.com). Thank you for your assistance in this matter.

Sincerely,

Thomas M. Forte  
Consultant to Matrix Telecom, Inc.

cc: Alex Valencia - Matrix  
file: Matrix - Arizona - Other  
tms: AZx1401

Arizona Corporation Commission  
**DOCKETED**  
DEC 12 2014

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Enclosures

TF/bc

**BEFORE THE ARIZONA CORPORATION COMMISSION**

BOB STUMP, Chairman  
GARY PIERCE  
BRENDA BURNS  
SUSAN BITTER SMITH  
BOB BURNS

**IN THE MATTER OF THE APPLICATION OF** )  
**MATRIX TELECOM, INC** )  
**D/B/A MATRIX BUSINESS TECHNOLOGIES** ) **DOCKET NO**  
**D/B/A VARTEC TELECOM** )  
**D/B/A CLEAR CHOICE COMMUNICATIONS** )  
**D/B/A EXCEL TELECOMMUNICATIONS** ) \_\_\_\_\_  
**AND AMERICATEL CORPROATION** )  
**D/B/A 1010 123 AMERICATEL D/B/A AMETEX** )  
**D/B/A AMEXTEL D/B/A STARTEC** )  
**FOR WAIVER OF SLAMMING RULES** )

**JOINT APPLICATION FOR WAIVER OF SLAMMING RULES  
AND DISCONTINUANCE OF SERVICE**

Matrix Telecom, Inc. d/b/a Matrix Business Technologies d/b/a VarTec Telecom d/b/a Clear Choice Communications d/b/a Excel Telecommunications ("Matrix") requests that the Commission authorize the customer base transfer described in this application and authorize all applicable local exchange carriers to honor requests by Matrix to change the intrastate long distance service of the customers of its affiliate, Americatel Corporation d/b/a 1010 123 Americatel d/b/a Ametex d/b/a Amextel d/b/a Startec ("Americatel") to Matrix (together "Applicants"). This request for authorization is made pursuant to Applicants' intention to transfer Americatel's customers to Matrix and to subsequently cancel Americatel's intrastate long distance certification and applicable tariff. Both Matrix and Americatel are wholly owned subsidiaries of Impact Telecom, Inc. ("Impact").

This transaction is part of a multi-state effort to consolidate certain Impact subsidiaries and is therefore an internal corporate reorganization as described below. The Applicants are coordinating proceedings in multiple states with an expected implementation date of January 1, 2015. Accordingly, applicants request the grant of the above referenced application no later than January 1, 2015.

**I. The Parties**

Americatel Corporation was incorporated under the laws of the State of Delaware on April 4, 1992. Its principal offices are located in Irving, Texas. The company was originally authorized to provide interexchange services in T-03517A-98-0089 by order issued 06/06/1998. Americatel currently offers casual calling and presubscribed interexchange services within Arizona. Americatel is a wholly owned subsidiary of Impact.

Matrix Telecom, Inc. was incorporated under the laws of the State of Texas on June 13, 1990. Its principal offices are also located in Irving, Texas. The company was originally authorized to provide interexchange services in T-03338A-96-0392 by order issued 05/16/2003. The Company also received Commission approval to provide resold and facilities-based competitive local exchange services on 12/09/2005 in T-0322BA-05-0244. Matrix currently offers presubscribed interexchange and local services in Arizona. Matrix is also a wholly owned subsidiary of Impact.

## **II. The Transaction**

Americatel's customers in all states in which it operates will be transferred to Matrix beginning on or after January 1, 2015, subject to required regulatory approvals. Following the transfer, these customers will be served by Matrix. Matrix's tariff will be revised to incorporate Americatel's services. Americatel will cease to operate and seeks cancellation of its Certificate of Public Convenience and Necessity and tariff.

## **III. Scope of the Application**

Applicants seek a waiver of the Commission's slamming rules as set forth in AAC R-14-2-1901 to 1913; approval for discontinuance of Americatel's interexchange service under AAC R-14-2-1107; and such other approvals that may be deemed necessary. Applicants are exempt from the statute that applies to mergers by public service corporations, A.R.S. § 40-285 because they exclusively provide competitive, interexchange services.

## **IV. Waiver of Slamming Rules**

Applicants seek a waiver of AAC R-14-2-1901 to 1913 and any other applicable slamming regulations that may be inconsistent with the FCC's rules regarding the transfer of customer bases.

Written notice of the proposed transfer was provided to all Americatel customers on or about November 20, 2014. The customer notifications advise customers of the following:

- (1) the pending change of their interexchange service carrier selection to Matrix;
- (2) there will be no impact on their service;
- (3) there will be no change to rates, terms or conditions of service;
- (4) there will be no charges associated with their change to Matrix as their interexchange carrier;
- (5) they have the option to select a different service provider if they prefer, with no penalty from Americatel.

The notifications include the toll free numbers that customers may call for more information. A copy of the customer notification is attached as Exhibit A.

Because the notices provide information regarding any potential impact on rates, terms and conditions of service, and because it informs customers that they may subscribe to the telecommunications service provider of their choice, a waiver of these regulations is appropriate and consistent with past Commission decisions.

## **V. Approval of Discontinuance of Interexchange Service by Teleconnect**

Applicants request approval for discontinuance of Americatel's interexchange service pursuant to AAC R-14-2-1107 in the event the Commission determines such approval is necessary. To be clear, services will not be discontinued to any customer because Americatel's former customers will be served by Matrix, unless they choose another service provider. Following the transfer, Americatel will cease to exist and hereby requests cancellation of its CCN and all applicable tariffs effective upon the consummation of the transaction. There is no plan for the return of any consumer deposit as Americatel has not collected deposits from customers within Arizona.

The Applicants respectfully request that the Commission waive the notice and publication requirements in the discontinuance rule. The number of customers involved is extremely small and, as noted above, customers are receiving direct notice of the change in service as required by the FCC. Because the customers will continue to receive service, a second notice of discontinuance will be confusing to customers and in this instance should not be required.

## **VI. Contact Information**

For the purposes of this filing, questions or any correspondence, orders, or other materials should be directed to the following contacts for the Parties:

Correspondence, questions and/or any other materials with regard to this filing should be sent to:

Thomas M. Forte  
Consultant to Impact Telecom Companies  
Technologies Management, Inc.  
2600 Maitland Center Parkway, Suite 300  
Maitland, FL 32751  
Telephone: 407-740-3001  
Facsimile: 407-740-0613  
Email: tforte@tminc.com

With a copy sent to:

Alex Valencia  
Senior Director, Government Affairs and Compliance  
Matrix Telecom, Inc.  
433 East Las Colinas Blvd., Suite 500  
Irving, TX 75039  
Telephone: 972-910-1720  
Email: avalencia@impacttelecom.com

## **VII. Waiver Request**

Americatel requests a waiver of AAC R-14-2-1107 B relating to the requirement of the company to publish a notice of discontinuance of service in all counties affected by the application. Americatel contends that the direct customer notice provided to presubscribed consumers regarding the transfer and discontinuance of service provides greater notice than an open published legal notice. Therefore the Company believes a waiver should be granted in this instance.

## **VIII. Relief Requested**

Matrix Telecom, Inc. d/b/a Matrix Business Technologies d/b/a VarTec Telecom d/b/a Clear Choice Communications d/b/a Excel Telecommunications and Americatel Corporation d/b/a 1010 123 Americatel d/b/a Ametex d/b/a Amextel d/b/a Startec request that the Commission waive the Commission's slamming regulations, AAC R-14-2-1901 to 1913; approve (if deemed necessary by the Commission) the discontinuance of Americatel's interexchange service under AAC R-14-2-1107 as well as the waiver of AAC R-14-2-1107 B and the cancellation of its CCN and applicable tariffs; and provide such other approvals as the Commission deems necessary for the Applicants to complete the transactions described in this Application. The parties respectfully request that the Commission approve the transaction no later than January 1 2015.

STATE OF TEXAS  
COUNTY OF DALLAS

VERIFICATION

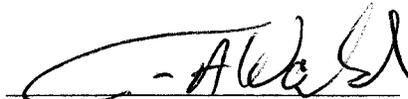
I, Doug Funsch, hereby declare, under penalty of perjury, that I am Chief Financial Officer for Impact Telecom, Inc. and its subsidiary companies, Matrix Telecom, Inc. d/b/a Matrix Business Technologies d/b/a VarTec Telecom d/b/a Clear Choice Communications d/b/a Excel Telecommunications and Americatel Corporation d/b/a 1010 123 Americatel d/b/a Ametex d/b/a Amextel d/b/a Startec; that I am authorized to make this verification on behalf of both named companies; that I have read the foregoing Petition; and that the facts stated therein are true and correct to the best of my knowledge, information and belief.



Doug Funsch  
Chief Financial Officer  
Impact Telecom, Inc.

Matrix Telecom, Inc.  
Americatel Corporation

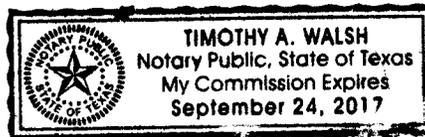
Sworn to and subscribed before me this 10<sup>th</sup> day of December, 2014



Notary Public

My Commission expires:

9-24-2017



**Impact Telecom, Inc.**

**Matrix Telecom, Inc. d/b/a Matrix Business Technologies**

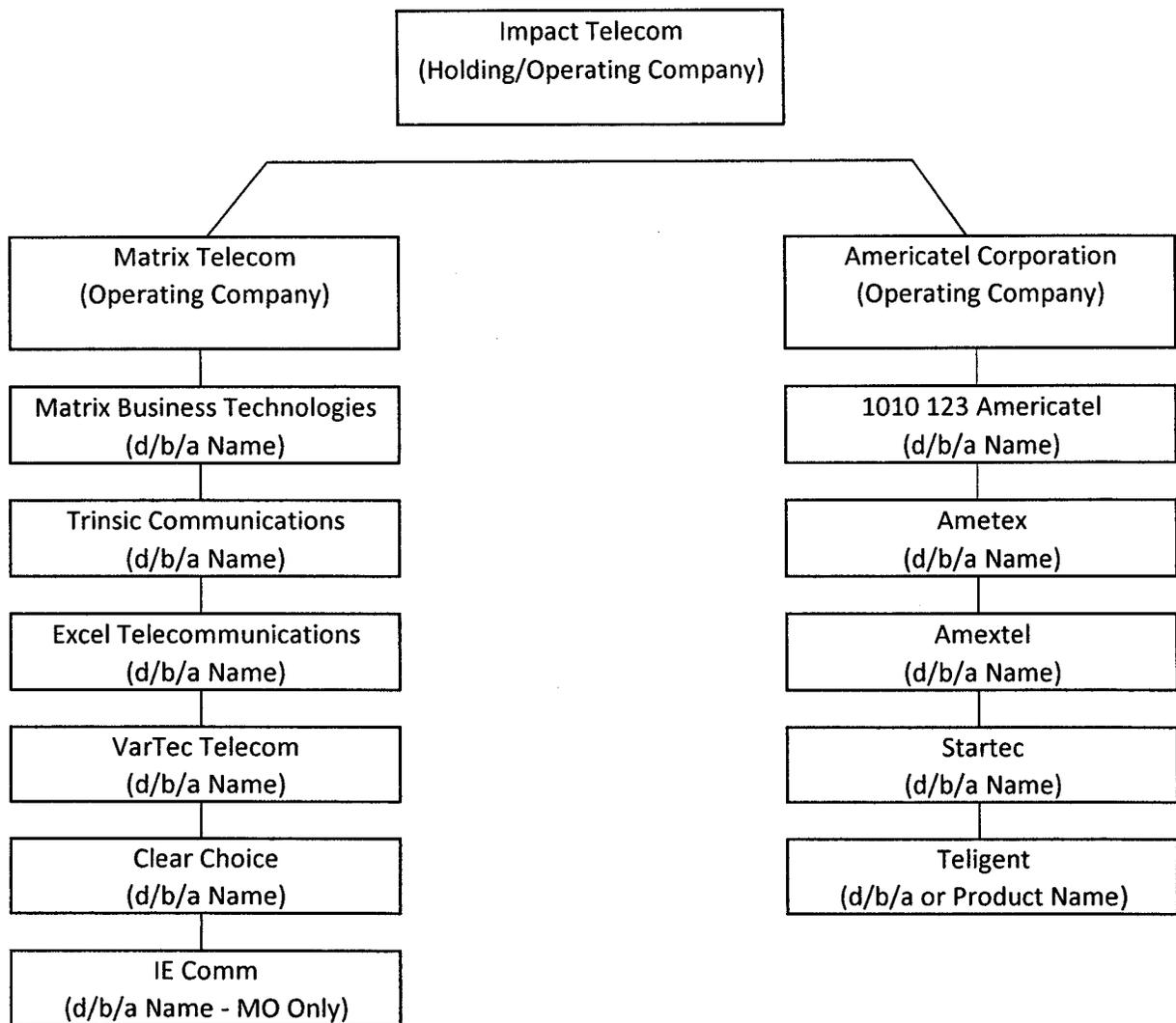
**d/b/a VarTec Telecom d/b/a Clear Choice Communications d/b/a Excel Telecommunications**

**Americatel Corporation d/b/a 1010 123 Americatel d/b/a Ametex d/b/a Amextel d/b/a Startec**

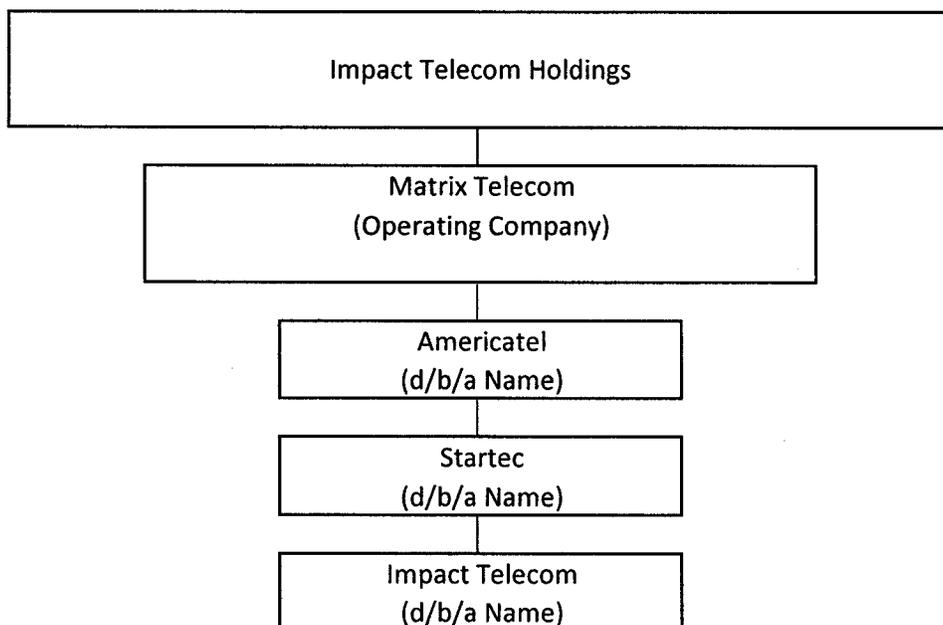
**Exhibit A**

**Corporate Structure**

## Current Corporate Structure



## Proposed Corporate Structure



**Matrix Telecom, Inc. d/b/a Matrix Business Technologies  
d/b/a VarTec Telecom d/b/a Clear Choice Communications d/b/a Excel Telecommunications  
Americatel Corporation d/b/a 1010 123 Americatel d/b/a Ametex d/b/a Amextel d/b/a Startec**

**Exhibit B  
Customer Notification**



November 20, 2014

Dear Valued Customer,

Matrix Telecom, Inc. ("Matrix") and Americatel Corporation ("Americatel Corporation"), the current provider of your Startec services, are pleased to announce that Matrix and Americatel will be merging companies. As a result of the merger, Matrix will now provide your long distance services under the same Startec brand name you know and trust. The anticipated date of merger of Americatel into Matrix is expected to be completed on or after January 1, 2015, subject to the necessary regulatory approvals.

**Please note that you are not required to do anything to retain your current long distance services. There will be no cost to you because Matrix will be responsible for any carrier change charges resulting from the merger, nor will the merger change your current calling plan or your rates, service features, or terms and conditions. Rest assured that this transition will be seamless. You will simply continue to receive the same services that you enjoy today under your Startec plan.** Additionally, although no change in your service is contemplated, you will be notified of any future changes to the rates, terms and conditions of your service in same manner as you always have – in your bill, by mail, or through lawful means.

If you have placed a preferred carrier freeze on your account, the freeze will continue to remain in place. We have a legal requirement to inform you that you have the right to select a different preferred long distance carrier, if one is available. If you choose to change to a different preferred long distance carrier, you may first need to lift any freeze you may have placed on your account by calling your local service carrier.

Matrix is dedicated to earning and keeping your business. We are confident that this transaction will strengthen the quality of service you receive today. As always, for help with any customer service, billing issue, or complaint, we will continue to assist you at our customer service toll-free number (800) 827-3374, before, during, and after the merger.

Sincerely,

AMERICATEL CORPORATION  
and  
MATRIX TELECOM, INC.

[www.startec.com](http://www.startec.com)