

**RIGINAL**



0000164563

**BEFORE THE ARIZONA CORPORATION COMMISSION**

**COMMISSIONERS**

SUSAN BITTER SMITH - CHAIRMAN  
BOB STUMP  
BOB BURNS  
DOUG LITTLE  
TOM FORESE

RECEIVED  
AZ CORP COMMISSION  
DOCKET CONTROL

2015 AUG 13 PM 4 25

Arizona Corporation Commission

**DOCKETED**

AUG 13 2015

DOCKETED BY  
MLB

IN THE MATTER OF THE APPLICATION OF )  
DIGITAL TRANSPORTATION CORPORATION )  
FOR A CERTIFICATE OF PUBLIC )  
CONVENIENCE AND NECESSITY TO PROVIDE )  
PRIVATE LINE TELECOMMUNICATIONS )  
SERVICES IN ARIZONA. )

DOCKET NO. T-

**APPLICATION**

T-20937A-15-0290

Digital Transportation Services Corporation ("DTC") applies to the Arizona Corporation Commission for a Certificate of Convenience and Necessity ("CC&N") to provide Private Line Telecommunications Services in Arizona pursuant to A.R.S. §§ 40-281, 40-282, and A.A.C. R14-2-1105.

1. DTC seeks authority to provide private line service in Arizona. DTC will be providing dedicated, fiber optic capacity between specific locations for its customers. The service is for large enterprises, such as companies or governmental organizations.

2. DTC currently is certificated to provide telecommunications service in California pursuant to a Certificate issued by the California Public Utilities Commission ("CPUC") in 2012. DTC remains in good standing with the CPUC. DTC seeks to expand its private line service to Arizona.

3. Attached to this Application is the Utilities Division's standard form for telecommunications CC&N applications, including the standard attachments. DTC's proposed tariff is Attachment B. DTC will provide its financial statements on a confidential basis to the Utilities Division, pursuant to the Division's standard Protective Agreement. DTC will publish notice in accordance with the Procedural Order to be issued by the Commission's Hearing Division in this matter.

1           4.     Please direct any communications regarding this Application, including data  
2 requests, to DTC's attorneys:

3           Michael W. Patten  
4           Timothy J. Sabo  
5           Snell & Wilmer L.L.P.  
6           400 East Van Buren, 19th Floor  
7           Phoenix, Arizona 85004-2202  
8           602.382.6339 (Patten)  
9           602.382.6347 (Sabo)  
10          602.382.6070 (Fax)  
11          mpatten@swlaw.com  
12          tsabo@swlaw.com

13          with a copy of any data requests to:

14          Steven Kasower  
15          Chief Executive Officer  
16          Digital Transportation Corporation  
17          1720 Q Street, Sacramento, CA 95811,  
18          916.538.1720  
19          916.442.3109  
20          steve@digitaltranscorp.com

21           5.     DTC maintains a customer service line where customers may call with billing or  
22 service complaints including reporting service outages. The hours of operation are 9:00 A.M. to  
23 5:00 P.M., Pacific Standard Time. The customers may contact the call center at 1-916-442-1477  
24 or by email at [info@digitaltranscorp.com](mailto:info@digitaltranscorp.com).

25           6.     Approval of this Application is in the public interest because DTC will provide  
26 another option to enterprise customers in Arizona seeking private line service. DTC has  
27 demonstrated through its successful operations in California that it has the managerial, technical  
28 and financial capability to provide service.

          7.     DTC also requests that its services be classified as competitive in accordance with  
A.A.C. R14-2-1108(C). The telecommunications market in Arizona is highly competitive. The  
Commission has recognized that private line service is competitive in Decision No. 72050  
(January 6, 2011) for Telequality Communications, Inc., and Decision No. 74899 (January 22,  
2015) for Threshold Communications, Inc.



1 Original and thirteen copies of the foregoing  
2 filed this 13<sup>th</sup> day of August, 2015, with:

3 Docket Control  
4 Arizona Corporation Commission  
5 1200 West Washington Street  
6 Phoenix, Arizona 85007

6 Copy of the foregoing hand-delivered/mailed  
7 this 13<sup>th</sup> day of August, 2015, to:

8 Dwight Nodes  
9 Acting Chief Administrative Law Judge  
10 Hearing Division  
11 Arizona Corporation Commission  
12 1200 West Washington  
13 Phoenix, Arizona 85007

11 Janice M. Alward  
12 Chief Counsel, Legal Division  
13 Arizona Corporation Commission  
14 1200 West Washington Street  
15 Phoenix, Arizona 85007

14 Thomas Broderick  
15 Director, Utilities Division  
16 Arizona Corporation Commission  
17 1200 West Washington Street  
18 Phoenix, Arizona 85007

17 By *Jaelyn Howard*  
18

22170649

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27  
28

**APPLICATION  
CERTIFICATE OF CONVENIENCE & NECESSITY**

If the Applicant wants to provide any type of Non-Customer Owned Pay Telephone ("COPT") telecommunications services in Arizona, provide the Arizona Corporation Commission ("Commission") with information being requested.

Remember that information submitted for a Certificate of Convenience and Necessity ("CC&N") will be made part of the public record (including financial statements). Any information designated as confidential will not be accepted by Docket Control. Mail your original CC&N application plus thirteen (13) copies to Arizona Corporation Commission, Docket Control, 1200 W. Washington Street, Phoenix, AZ 85007-2927.

Make sure you use the Application form dated May 24, 2010. Also, make sure you answer each numbered item and part of the item in each section of the Application form. If you do not use the correct Application form and/or do not completely answer the numbered item(s), Staff will request the Applicant to re-submit the Application form and/or complete any of the numbered item(s) and part of the item in a data request. In order for Staff to review your Application, complete the following form. Thank you.

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: \_\_\_\_\_

Docket No.: \_\_\_\_\_ Date: \_\_\_\_\_ Date Docketed: \_\_\_\_\_

Type of Service: \_\_\_\_\_

Docket No.: \_\_\_\_\_ Date: \_\_\_\_\_ Date Docketed: \_\_\_\_\_

**A. COMPANY AND TELECOMMUNICATION SERVICE INFORMATION**

(A-1) Please indicate the type of telecommunications services that you want to provide in Arizona and mark the appropriate box(s).

- 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 SERVICE** (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:

**The Digital Transportation Corporation, 1720 Q Street, Sacramento, CA 95811, phone: 916-538-1720, fax: 916-442-3109, email: steve@digitaltranscorp.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:

**Steven Kasower, 1720 Q Street, Sacramento, CA 95811, phone: 916-538-1720, fax: 916-442-3109, email: steve@digitaltranscorp.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:

**Michael W. Patten  
Timothy J. Sabo  
Snell & Wilmer L.L.P.  
400 East Van Buren, 19<sup>th</sup> Floor  
Phoenix, Arizona 85004-2202  
602.382.6339 (Patten)  
602.382.6347 (Sabo)  
602.382.6070 (Fax)  
[mpatten@swlaw.com](mailto:mpatten@swlaw.com)  
[tsabo@swlaw.com](mailto:tsabo@swlaw.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:

**Steven Kasower, 1720 Q Street, Sacramento, CA 95811, phone: 916-538-1720, fax: 916-442-3109, email: steve@digitaltranscorp.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, \_\_\_ Foreign
- Corporation:     X  "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 Arizona.
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).

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

**Attachment A is attached.**

(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).

**A proposed tariff is included 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 before any state or federal regulatory commission, administrative agency, or law enforcement agency.

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.

**None.**

(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.

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.

**None.**

(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 any box in (A-14) is marked "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 any box in (A-14) is marked "No", 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.

**The Commission has generally stopped requiring bonds for telecommunications carriers. Bonds are no longer appropriate given the current highly competitive nature of the telecommunications market, where customers have numerous options for service. The Applicant does not accept prepayments or deposits from customers. Please see Attachment D for financial information. The Applicant has held a certificate in California since 2012 without incident. In light of the foregoing, no bond is necessary.**

(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.

**A hearing will be required for this facilities-based service. Accordingly, Applicant will publish notice in accordance with a Procedural Order once the Hearing Division schedules a hearing.**

(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 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 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.

**Applicant has been granted a Certificate by the California Public Utilities Commission (CPUC). See CPUC Decision 12-04-029 (April 19, 2012). A copy of the CPUC decision is attached. The CPUC's address is California Public Utilities Commission, State Office Building, 505 Van Ness Avenue, Room 3107, San Francisco, CA 94102-3298, Telecommunications Annual Reporting Program, (415) 703-2883.**

(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 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.

**The Applicant provides similar services in California.**

(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.

**The Applicant does not have affiliates.**

(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

**Private Line Services have been classified as competitive services by the Commission in Decision No. 72050 (January 6, 2011) for Telequality Communications, Inc., and Decision No. 74899 (January 22, 2015) for Threshold Communications, Inc.**

### 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.

(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.

**This information will be provided pursuant to a protective agreement.**

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

**Not applicable.**

(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.

**The Applicant projects \$0.00 in revenue for in Arizona for the first twelve months following certification.**

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

**The Applicant projects \$0.00 in expenses in providing in Arizona for the first twelve months following certification.**

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 Applicant does not currently have any assets in Arizona. The Applicant projects that the net book value of its assets in Arizona at the end of its first twelve months of service will be \$0.00.**

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

**The Applicant accepts the net book value as the fair value for Arizona ratemaking purposes.**

**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 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 in 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 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 Arizona.

**The Applicant anticipates beginning to provide service within 18 months after receiving its Arizona certificate.**

#### **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.

*[Handwritten Signature]*

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

*8/13/2015*

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

*Steven Kasower*

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

*Chief Executive Officer*

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

SUBSCRIBED AND SWORN to before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

*Please see  
attachment*

\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires \_\_\_\_\_

**CALIFORNIA JURAT WITH AFFIANT STATEMENT**

**GOVERNMENT CODE § 8202**

- See Attached Document (Notary to cross out lines 1-6 below)
- See Statement Below (Lines 1-6 to be completed only by document signer[s], *not* Notary)

\_\_\_\_\_

Signature of Document Signer No. 1

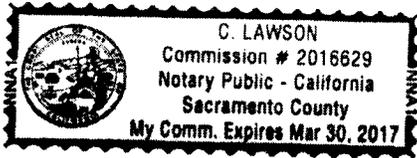
Signature of Document Signer No. 2 (if any)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California  
 County of Sacramento

Subscribed and sworn to (or affirmed) before me  
 on this 13 day of August, 2015,  
 by Steven Kasower  
Date Month Year

(1) Steven Kasower  
 (and (2) \_\_\_\_\_),  
Name(s) of Signer(s)



proved to me on the basis of satisfactory evidence  
 to be the person(s) who appeared before me.

Signature [Handwritten Signature] Notary Public  
Signature of Notary Public

*Seal*  
 Place Notary Seal Above

**OPTIONAL**

*Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.*

**Description of Attached Document**  
 Title or Type of Document: \_\_\_\_\_ Document Date: \_\_\_\_\_  
 Number of Pages: \_\_\_\_\_ Signer(s) Other Than Named Above: \_\_\_\_\_

## **ATTACHMENT A**

### **Arizona CC&N Application of Digital Transportation Corporation**

#### **Certificate of Good Standing**

Digital Transportation Corporation (DTC) is in the process of applying for authority to conduct business as a foreign corporation in Arizona. DTC submitted its application to the Corporations Division on July 13, 2015, Corporations Division File No. F20195605.

#### **Directors:**

- a. Masamitsu Miyagi
- b. Matthew Rey
- c. Steven Kasower

#### **Officers**

- a. Steven Kasower, Chief Executive Officer
- b. Masamitsu Miyagi, Chairman of the Board
- c. Matthew Ray, Secretary

#### **Share Ownership of Officers and Directors:**

Digital Transportation Corporation has 5,000,000 issued and outstanding shares. Of these, the officers and directors listed above hold the following quantities:

- a. Masamitsu Miyagi 400,000 shares (8%)
- b. Matthew Rey 1,050,000 shares (21%)
- c. Steven Kasower 1,775,000 shares (36%)

**ATTACHMENT B**

**Arizona CC&N Application of Digital Transportation Corporation**

**TARIFF**



Digital Transportation Corporation  
1720 Q Street  
Sacramento, CA 95811

**PRIVATE LINE TARIFF**

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of Private Line Services by Digital Transportation Corporation. This tariff applies to services furnished within the State of Arizona. This tariff is on file with the Arizona Corporation Commission, and copies may be inspected, during normal business hours, at the Company's principal place of business.

---

Issued: July 28, 2015  
Issued by:

Effective: [DATE] 2015

Steven Kasower  
Chief Executive Officer  
Digital Transportation Corporation  
1720 Q Street  
Sacramento, CA 95811

**CHECK SHEET**

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Issued: July 28, 2015  
Issued by:

Effective: [DATE] 2015

Steven Kasower  
Chief Executive Officer  
Digital Transportation Corporation  
1720 Q Street  
Sacramento, CA 95811

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Issued: July 28, 2015  
Issued by:

Effective: [DATE] 2015

Steven Kasower  
Chief Executive Officer  
Digital Transportation Corporation  
1720 Q Street  
Sacramento, CA 95811

**EXPLANATION OF SYMBOLS**

- (C) To signify changed regulation
- (D) To signify discontinued rate or regulation
- (I) To signify increased rate
- (M) To signify that material has been transferred from another sheet or place in the tariff.
- (N) To signify new rate or regulation
- (O) To signify no change\*
- (R) To signify reduced rate
- (S) To signify reissued matter
- (T) To signify a change in text but no change in rate or regulations.

\* The use of the symbol (O) shall be discretionary unless its use in the interest of clarity or is evident or specifically requested by the Commission.

---

Issued: July 28, 2015  
Issued by:

Effective: [DATE] 2015

Steven Kasower  
Chief Executive Officer  
Digital Transportation Corporation  
1720 Q Street  
Sacramento, CA 95811

APPLICATION OF TARIFF

This tariff sets forth the service offerings, rates, terms and conditions applicable to the furnishing of private line services within the State of Arizona.

SERVICE OFFERING

The Company will offer facilities-based private line transport services.

CUSTOMER SERVICE

The Company's Customer Service number is 1-916-442-1477

---

Issued: July 28, 2015  
Issued by:

Effective: [DATE] 2015

Steven Kasower  
Chief Executive Officer  
Digital Transportation Corporation  
1720 Q Street  
Sacramento, CA 95811

SECTION 1 -  
DEFINITIONS

**Commission:** The Arizona Corporation Commission.

**Company:** Digital Transportation Corporation, a California corporation, which is the issuer of this tariff.

**Customer:** The person, firm, corporation or other entity which orders or uses service and, has agreed by signature or otherwise to honor the terms of the service herein, and is responsible for the payment of rates and charges for service to customer locations and for compliance with tariff regulations.

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

**Internet Protocol Transfer:** Transfer of information through the use of software that tracks the Internet address of nodes, routes outgoing messages, and recognizes incoming messages.

**Private Line Transmission:** A dedicated nonswitchable link from one or more customer-specified locations to one or more customer-specified locations.

**Packet Based Data Services:** Data services sent in packets through a network to some remote location. The data to be sent is assembled by the Packet Assembler/Disassembler in to individual packets of data, involving a process of segmentation or subdivision of larger sets of data as specified by the native protocol of the transmitting device.

**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, Service Contract or this tariff, in which case the Service Commencement Date is the date of the Customer's acceptance

---

Issued: July 28, 2015  
Issued by:

Effective: [DATE] 2015

Steven Kasower  
Chief Executive Officer  
Digital Transportation Corporation  
1720 Q Street  
Sacramento, CA 95811

of service. The parties may mutually agree upon a substitute Service Commencement Date.

**Service Order:** The written request for interexchange 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 Private Line service.

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Chief Executive Officer  
Digital Transportation Corporation  
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SECTION – RULES AND REGULATIONS

2.1 Use of Services

- 2.1.1 The Company's services may be used for any lawful purpose consistent with the transmission and switching parameters of the Private Line utilized in the provision of services, subject to any limitations set forth in Section 2.2.
- 2.1.2 The use of the Company's services without payment for service or attempting to avoid payment for service by fraudulent means or devices, schemes, false or invalid numbers, or false calling or credit cards is prohibited.
- 2.1.3 The Company's services may be denied for non-payment of charges or for other violations of this tariff.
- 2.1.4 Customers shall not use the service provided under this tariff for any unlawful purpose.
- 2.1.5 The Customer is responsible for notifying the Company immediately of any unauthorized use of services.

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SECTION 2 – RULES AND REGULATIONS (CONTINUED)

2.2 Liability of the Company

- 2.2.1 The Company shall not be liable for any claim, loss, expense or damage for interruption, delay, error, omission or defect in any service, facility, or transmission provided under this tariff, if caused by an act of God, fire, war, civil disturbance, act of government, or due to any other causes beyond the Company's control.
- 2.2.2 The Company shall not be liable for, and shall be fully indemnified and held harmless by the Customer against any claim, loss, expense, or damage for defamation, libel, slander, invasion, infringement of copyright or patent, unauthorized use of any trademark, trade name or service mark, proprietary or creative right, or any other injury to any person, property or entity arising out of the material, data or information transmitted.
- 2.2.3 No agent or employee of any other carrier or entity shall be deemed to be an agent or employee of the Company.
- 2.2.4 The Company's liability for damages, resulting in whole or in part from or arising in connection with the furnishing of service under this tariff, including but not limited to mistakes, omissions, interruptions, delays, errors, or other defects or misrepresentations shall not exceed an amount equal to the charges provided for under this tariff service provided. No other liability in any event shall attach to the Company.
- 2.2.5 The Company shall not be liable for and shall be indemnified and saved harmless by any Customer or by any other entity from any and all loss, claims, demands, suits, or other action or any liability whatsoever, whether suffered, made, instituted, or asserted by any Customer or any other entity for any personal injury to, or death of, any person or persons, and for loss, damage, defacement or destruction of the premises of any Customer or any other entity or any other property whether owned or controlled by the Customer or others.

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SECTION 2 – RULES AND REGULATIONS (CONTINUED)

2.2 Liability of the Company (continued)

- 2.2.6 The Company shall not be liable for any indirect, special, incidental, or consequential damages under this tariff including, but not limited to, loss of revenue or profits, for any reason whatsoever, including the breakdown of facilities associated with the service, or for any mistakes, omissions, delays, errors, or defects in transmission occurring during the course of furnishing service.
- 2.2.7 The remedies set forth are exclusive and in lieu of all other warranties and remedies, whether express, implied, or statutory, INCLUDING WITHOUT LIMITATION IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

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SECTION 3 - SERVICES, LOCATIONS, PRICES AND CHARGES

3.1 Description of Service

The Company will provide Private Line Service on a leased long-term basis.

3.2 Location of Service

The Company is a metropolitan provider that designs, builds and maintains custom private network solutions for its Customers. The location of the service is dependent on facilities constructed or leased by the Company.

3.3 ICB Rates for Service

The Company typically offers individualized arrangements on a case-by-case basis to enterprise customers including businesses, schools, and government organizations in response to a request from a bona fide customer or potential customer. Contracts for Private Line Service be negotiated and performed on an individual case basis. The terms, conditions, and prices of such of the Company's services will be set forth in a contract between the customer and Company.

3.4 Application for Service

Application for service must be made in writing. The name(s) of the customer(s) desiring to use the service must be set forth in the application for service.

3.5 Deposits

Deposits and/or advanced payments are not required.

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3.6 Standard and maximum rates for non-ICB Private Line Service.

Where Company facilities are available, and where private line transmission service is not covered an ICB contract under Section 3.3, then the following rates apply:

<b>Transmission Speed</b>	<b>Monthly Recurring Charge Per DS1 Mile</b>	<b>Installation Charge</b>
DS-0	Not available	Not available
DS-1	\$3.83	\$500.00
DS-3 / OC-1	\$15.52	\$2,000.00
OC-3	\$40.98	\$6,000.00
OC-12	\$149.02	\$20,000.00
OC-48	\$521.58	\$50,000.00

The above rates constitute the current price levels of the Company per A.A.C. R14-2-1109(B) and the maximum tariff rates per A.A.C. R14-2-1109(A). The following definitions apply to this Section 3.6:

DS-0 Service DS-0 Service provides a digital transmission path at speeds of up to and including 64 Kbps or, if provided over analog facilities, within the normal frequency range of 300 and 3,000 Hz.

DS-1 Service DS-1 Service provides the Customer a high capacity channel for the transmission of 1.544 Mbps.

DS-3 Service DS-3 Service provides the Customer a high capacity channel for the transmission of 44.736 Mbps.

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OC-3 Service OC-3 Service provides the Customer a high capacity channel for the transmission of 155.52 Mbps.

OC-12 Service OC-12 Service provides the Customer a high capacity channel for the transmission of 622.08 Mbps.

OC-48 Service OC-48 Service provides the Customer a high capacity channel for the transmission of 2.4 Gbps.

Mbps Megabits or 1,000,000 bits per second. Used in reference to data transmission speed.

Gbps Gigabits (1,000 Megabits) per second. Used in reference to data transmission speed.

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**ATTACHMENT C**

**Arizona CC&N Application of Digital Transportation Corporation**

**CUSTOMER NOTICE**

Customer notice will be published in accordance with the Procedural Order to be issued in this docket.

**ATTACHMENT D**

**Arizona CC&N Application of Digital Transportation Corporation**

**FINANCIAL STATEMENTS**

Financial statements will be provided confidentially pursuant to a Protective Agreement with the Commission Staff.

## **ATTACHMENT E**

### **Arizona CC&N Application of Digital Transportation Corporation**

#### **KEY EMPLOYEES**

##### **Steven Kasower, Chief Executive Officer**

Steven Kasower is the founder of the Digital Transportation Corporation. Prior to founding the company, Kasower was a Research Faculty member of the University of California, Santa Cruz where his expertise was in project permitting, regulatory and legislative characteristics of infrastructure projects. Kasower was on loan to the United States Bureau of Reclamation during the 9/11 attack. He was responsible for the separation of all telemetric controls on Federal water supply projects like dams, canals, pumps, etc from the internet. This work entailed the installation of over 100,000 miles of separate fiber infrastructure fundamentally cutting off all water supply control functions from internet based hacking and attack.

##### **Masamitsu Miyagi**

Masamitsu Miyagi is a serial entrepreneur who founded and sold the company, CoreLogic, a digital real estate analytics company. Miyagi has founded wireless telecommunications companies, and manufactures technologically advanced signal enhancing components that increase the speed and capacity of urban internet services.

##### **Matthew Rey**

Mathew Rey has directed sales and technical support teams for telecommunications companies for over twenty years. He has provided these services for Pacific Bell, Surwest, Consolidated Communications, and Comcast.