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AZ CORP COMMISSION
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ANDREW O. ISAR

4304 92ND AVENUE NW
GIG HARBOR, WA 98335
TELEPHONE: 253.851.6700
FACSIMILE: 866.474.3630
WWW.MILLERISAR.COM

Via Overnight Delivery

December 17, 2015

Docket Control Center
Arizona Corporation Commission
1200 W. Washington Street, Room 108
Phoenix, Arizona 85007-2996

ATTN: Lori Morrison

Arizona Corporation Commission
DOCKETED

DEC 18 2015



Re: Staff's First Set of Data Requests to X5 OpCo LLC and NovaTel Ltd., Inc.,
Docket No. T-20946A-15-0384 and ~~T-201601A-15-0385~~ km

Dear Sir/Madam:

X5 OpCo LLC and NovaTel Ltd., Inc submit to the Arizona Corporation Commission an original and thirteen (13) copies X5 OpCo LLC's and NovaTel Ltd., Inc's responses to Staff's First Set of Data Requests in the above referenced proceedings.

Thank you for your attention to this matter. Questions may be directed to the undersigned.

Sincerely,

MILLER ISAR, INC.

Andrew O. Isar

Regulatory Consultants to
X5 OpCo LLC and
For NovaTel Ltd., Inc.

Enclosures

STAFF'S FIRST SET OF DATA REQUEST TO
NOVATEL LTD, INC. ("NOVATEL") AND X5 OPCO LLC ("X5")
JOINTLY ("THE APPLICANT")
DOCKET NOS. T-20601A-15-0385 AND T-20946A-15-0385
DECEMBER 10, 2015

STF 1.1 Does NovaTel have any employees in Arizona? If yes, please provide the number of employees.

Response: (Prepared by Andrew Isar, Consultant, 4304 92nd Avenue, NW, Gig Harbor, WA 98335)

NovaTel Ltd., Inc. ("NovaTel") has no employees in Arizona.

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DECEMBER 10, 2015

STF 1.2 Does NovaTel have any facilities or assets in Arizona? If yes, please provide the dollar amount and location of such facilities or assets.

Response: (Prepared by Andrew Isar, Consultant, 4304 92nd Avenue, NW, Gig Harbor, WA 98335)

NovaTel has no facilities or assets located in Arizona.

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STF 1.3 If NovaTel has any open docket items pending before the Commission, please identify such dockets and explain their status.

Response: (Prepared by Andrew Isar, Consultant, 4304 92nd Avenue, NW, Gig Harbor, WA 98335)

There are no known open docket items pending before the Commission.

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STF 1.4 Does NovaTel collect advances, deposits and/or prepayments from customers in Arizona? If so, indicate the amount of advances, deposits and/or prepayments that been returned to customers in Arizona whose services are being transferred or disconnected.

Response: (Prepared by Andrew Isar, Consultant, 4304 92nd Avenue, NW, Gig Harbor, WA 98335)

NovaTel has not collected advances, deposits and/or prepayments from customers in Arizona.

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STF 1.5 Does NovaTel have a performance bond or irrevocable sight draft letter of credit ("ISDLOC") on file with the ACC? If yes, please specify the amount of the bond or ISDLOC.

Response: (Prepared by Alan Saltzman, Chief Financial Officer, NovaTel Ltd., Inc. 11550 IH-10 West, Suite 110, San Antonio, TX 78230)

NovaTel does not hold a bond in Arizona.

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STF 1.6 If the response to STF 1.5 is affirmative, please specify if the original bond or ISDLOC is still in effect. If no, please provide any documents that support that the bond or ISDLOC was cancelled.

Response: (Prepared by Alan Saltzman, Chief Financial Officer, NovaTel Ltd., Inc. 11550 IH-10 West, Suite 110, San Antonio, TX 78230)

NovaTel does not hold a bond in Arizona.

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STF 1.7 Please provide the name and address of a company representative to whom the Commission Business Office can return NovaTel's original bond or ISDLOC.

Response: (Prepared by Alan Saltzman, Chief Financial Officer, NovaTel Ltd., Inc. 11550 IH-10 West, Suite 110, San Antonio, TX 78230)

NovaTel does not hold a bond in Arizona.

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STF 1.8 In addition to cancelling its authority to provide telecommunications services in Arizona due to the cessation of operations, does NovaTel also request to cancel its service tariffs?

Response: (Prepared by Alan Saltzman, Chief Financial Officer, NovaTel Ltd., Inc. 11550 IH-10 West, Suite 110, San Antonio, TX 78230)

NovaTel requests that its service tariffs be cancelled upon transfer of NovaTel subscribers to X5 OpCo LLC. Former NovaTel subscribers will be served under X5 OpCo LLC tariffs upon Commission approval.

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STF 1.9 Although the Applicants indicate they will be transferring NovaTel's customers to X5, there is no discussion or request for waiver for Arizona Administrative Code ("A.A.C.") R14-2-1904 *et seq.* and any other applicable anti-slamming regulations that may be inconsistent with the FCC's rules regarding the transfer of customer bases. If the Applicants require a waiver of the Commission's Slamming Rules, please file an amendment to the Application in the docket requesting a waiver and the justification for why a waiver of the Slamming Rules is appropriate and in the public interest.

Response: (Response: (Prepared by Alan Saltzman, Chief Financial Officer, NovaTel Ltd., Inc. 11550 IH-10 West, Suite 110, San Antonio, TX 78230 and Andrew Isar, Consultant, 4304 92nd Avenue, NW, Gig Harbor, WA 98335)

NovaTel Arizona subscribers are served under subscriber-specific service agreements and are clearly aware of their subscription to NovaTel's service. Nevertheless, Applicants are submitting a supplement to their Joint Application seeking waiver of R14-2-1904 *et seq.* and any other applicable anti-slamming regulations that may be inconsistent with the FCC's rules regarding the transfer of customer bases.

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STF 1.10 In regard to the notice requirements outlined in "A.A.C. R14-2-1107, when service is discontinued, please reply to the following:

- a. A.A.C. R14-2-1107(B) requires telecommunications companies to publish legal notice of the cessation of the operations in all counties affected. Did the Applicants publish notice in newspapers of general circulation in the counties where affected customers currently reside? If no, please explain. If yes, please file the appropriate Affidavit of Publication upon completion of publication and provide the status of the published notice.
- b. If no notice was published notice in newspapers of general circulation in the counties where affected customers currently reside, are the Applicants require a waiver of this notice requirement? If yes, please file an amendment to the Application in the docket and explain why a waiver of the A.A.C. R14-2-1107(B) published notice requirement is in the public interest and should be waived.

Response: (Prepared by Alan Saltzman, Chief Financial Officer, NovaTel Ltd., Inc. 11550 IH-10 West, Suite 110, San Antonio, TX 78230 and Andrew Isar, Consultant, 4304 92nd Avenue, NW, Gig Harbor, WA 98335)

Applicants are including a request for waiver of rule AAC R14-2-1107 (the "Discontinuance Rule"), to the extent applicable, in the Supplement addressed in response to STF 1.9, *supra*. As will be addressed in the Applicant's Supplement, Applicant's maintain that the Discontinuance Rule governs a telecommunications company's discontinuance of competitive local exchange or interexchange services in the State. The Companies do not believe that the Discontinuance Rule applies in this matter as the Transaction involves the transfer of NovaTel's customers to X5 OpCo, neither of which are local exchange carriers in Arizona. Moreover, service to the acquired customer accounts is not being discontinued. In the event that the Commission determines that the Discontinuance Rule does apply, Applicants are requesting through their supplement that the Commission grant a waiver. NovaTel's customers have received at least thirty (30) days' notice of the Transaction as required by the Federal Communications Commission's account transfer regulations, 47 C.F.R. §64.1120(e). It would be confusing for customers to also receive a notice regarding a NovaTel's discontinuance of service or for the planned customer transfer notice to include a discussion regarding a discontinuance since no affected customer will be discontinued as a result of the Transaction.