

DECISION MEMORANDUM

TO: COMMISSIONER KJELLANDER
COMMISSIONER SMITH
COMMISSIONER HANSEN
COMMISSION SECRETARY
LEGAL
WORKING FILE

FROM: DANIEL KLEIN
GRACE SEAMAN
DONOVAN WALKER

DATE: MAY 2, 2006

RE: TRANSFER OF CERTIFICATE 399 FROM VARTEC TELECOM, INC.
TO COMTEL TELCOM ASSETS LP ; CASE NO. CTA-T-06-01.

BACKGROUND

On December 13, 2005, Comtel Telcom Assets LP (Comtel) filed an Application for a Certificate of Public Convenience and Necessity and a Joint Notice of Asset Transfer of Comtel with VarTec Tlecom, Inc., Excel Telecommunications, Inc, and VarTec Solutions, Inc. This Application was modified on January 5, 2006 to request Commission approval that CPCN 399 issued to VarTec Telecom, Inc on June 17, 2002 under case number GNR-T-01-20, be transferred to ComTel Telcom Assets LP. This amended filing included, three new price lists and four revised cover pages to reflect the new name of Comtel Telcom Assets LP.

Comtel states they wish to provide local exchange services under its corporate name as well as the trade names of VarTec Telecom, Excel Telecommunications, VarTec Solutions and Clear Choice Communications. Comtel provided copies of business form filings with the Idaho Secretary of State.

STAFF REVIEW

Staff reviewed the amended filing and it was determined that several changes would be required. A conference call between staff and Comtel's representatives was held and each price tariff was reviewed and specific changes to the price lists were agreed upon.

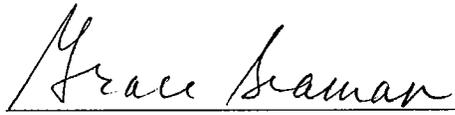
Staff also reviewed the consumer complaint history for VarTec. The majority of complaints has to do with billing issues and slamming. The Company has always been willing to work with staff to resolve complaints that come to the Commission's attention. With this filing Staff became aware of several mislabeled charges on the Company's billing statements. Upon discussion with the Company they have agreed to implement all suggested changes.

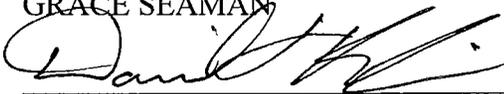
STAFF RECOMMENDATION

Staff has reviewed the name change documentation, the revised price lists, and the revised customer billing information. Although one billing correction will not go through until the May 7, 2006 billing cycle, Staff believes Comtel is compliant with the Commission's Rules of Procedure and the Idaho Statute. Staff, therefore, recommends approval of Comtel's filing.

COMISSION DECISION

Does the Commission wish to approve the transfer of Certificate No. 399 from VarTec Telecom, Inc, to Comtel Telcom Assests LP?



GRACE SEAMAN


DANIEL KLEIN