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Renee J. Jenkins, Director of Administration Docketing Department Public Utilities Commission of Ohio 180 E. Broad St. Columbus, OH 43215-3793

Re: Pac-West Telecomm, Inc. - Discontinuance of all Telecommunications Services

Dear Ms. Jenkins:

Pac-West Telecomm, Inc. ("Pac-West") hereby notifies the Public Utilities Commission of Ohio of the planned discontinuance of all telecommunications service to customers in Ohio. This discontinuance is being undertaken as part of Pac-West's bankruptcy reorganization.

An original and ten (10) copies of this filing are enclosed. Please date-stamp the extra copy and return it in the self-addressed, postage-paid envelope provided. Should you have any questions regarding this filing, please do not hesitate to contact the undersigned.

Respectfully submitted,

Ethan Sprague

Vice President, Regulatory Affairs

Pac-West Telecom, Inc.

Attachments

Cc: Jean L. Kiddoo, Esq.

This is to certify that the images appearing are an screente and complete reproduction of a case file document delivered in the regular course of business.

Sectorician 5/10 Date Processed 7/25/07

To the extent necessary, Pac-West requests that the Commission consider this letter to be an application and expeditiously approve the planned discontinuance consistent with the time frame outlined herein.

The Public Utilities Commission TELECOMMUNICATIONS APPLICATION FORM

(Effective: 10/01/2004) (Pursuant to Case Nos. 99-998-TP-COI and 99-663-TP-COI)

In the Matter of the Application of
Pac-West Telecomm, Inc. Case No. 07 - 852 - 27-ACO
Discontinuance of all Telecommunications Services)
ý
Name of Registrant(s) Pac-West Telecomm, Inc. DBA(s) of Registrant(s) N/A
Address of Registrant(s) 4210 Coronado Avenue Stockton CA 95204
Company Web Address ususy pocuest com
Regulatory Contact Person(s) Ethan Sprague Phone (209) 926-3416 Fax (209) 926-4105
Regulatory Contact Person's Email Address <u>esprague@pacwest.com</u>
Contact Person for Annual Report Ethan Sprague Phone (209) 926-3416
Consumer Contact Information Ethan Sprague Phone (209) 926-3416
Date: <u>July 24, 2007</u> TRF Docket No CT-TRF <u>or 05-1417</u> - TP-ACE
Motion for protective order included with filing? □ Yes ■ No Motion for waiver(s) filed affecting this case? □ Yes ■ No [Note: waiver(s) tolls any automatic timeframe] Company Type (check all applicable): ■ CTS (IXC) □ ILEC ■ CLEC □ CMRS □ AOS □ Other (explain)
NOTE: This form must accompany all applications filed by telecommunication service providers subject to the Commission's rules promulgated in Case No. 99-998-TP-COI, as well as by ILECs filing an ARB or NAG case pursuant to the guidelines established in Case No. 96-463-TP-UNC. It is preferable NOT to combine different types of filings, but if you do so, you must file under the process with the longest applicable review period. I. Please indicate the reason for submitting this form (check one) 1 (AAC) Application to Amend Certificate by a CLEC to modify Serving Area (0-day notice, 7 copies)
2 (ABN) Abandonment of all Services
□ a. CLEC (90-day approval, 10 copies) □ b. CTS (14-day approval, 10 copies) □ c. ILEC (NOT automatic, 10 copies) □ 3 (ACE) New Operating Authority for providers other than CMRS (30-day approval, 7 copies); for CMRS, see item No. 15 on this page. □ a. Switched Local □ b. Non-switched local □ c. CTS □ d. Local and CTS □ e. Other (explain)
□ 4 (ACO) LEC Application to Change Ownership (30-day approval, 10 copies)
5 (ACN) LEC Application to Change Name (30-day approval, 10 copies)
GAEC) Carrier-to-Carrier Contract Amendment to an agreement approved in a NAG or ARB case (30-day approval, 7 copies) NOTE: see item 25 (CTR) on page two of this form for all other contract filings.
7 (AMT) LEC Merger (30-day approval, 10 copies)
B (ARB) Application for Arbitration (see 96-463-TP-COI for applicable process, 10 copies)
Q (ATA) Application for Tariff Amendment for Tier 1 Services, Application to Reclassify Service Among Tiers, or Change to Non-Tier Service a. Tier 1 (and Carrier-to-Carrier tariff filings as set-forth in 95-845-TP-COI)
 □ i. Pre-filing submittal (30-day pre-filing submittal with Staff and OCC; Do Not Docket, 4 copies)
ii. New End User Service which has been preceded by a 30-day pre-filing submittal with Staff for all submittals and also wi
OCC for Tier 1 residential services (0-day filing, 10 copies) iii. New End User Service (NOT preceded by a 30-day filing submittal, 30-day approval, 10 copies)
□ iv. New Carrier-to-Carrier Service which has been preceded by a 30-day pre-filing with Staff (0-day filing, 10 copies)
□ v. Change in Terms and Conditions, textual revision, correction of error, etc. (30-day approval, 10 copies)
D vi. Grandfather service (30-day approval, 10 copies)
□ vii. Initial Carrier-to-Carrier Services Tariff subsequent to ACE approval (60-day approval, 10 copies) □ viii. Withdrawal of Tier 1 service must be filed as an "ATW", not an "ATA" - see item 12, below
D b. Reclassification of Service Among Tiers (NOT automatic, 10 copies)
C. Textual revision with no effect on rates for non-specific or non-tier service (30-day approval, 10 copies) Application 4. The first of the copies o
□ 10(ATC) Application to Transfer Certificate (30-day approval, 7 copies) □ 11(ATR) LEC Application to Conduct a Transaction Between Utilities (30-day approval, 10 copies)
□ 12(ATW) Application to Withdraw a Tier I Service

□ 14 (I □ 15 (I □ 16 (S		For CMRS providers only to Register or to Notify of a Change in Operations (0-day notice, 7 copies) Self-complaint Application a. CLEC only -Tier 1 (60-day automatic, 10 copies) b. Introduce or increase maximum price range for Non-Specific Service Charge (60-day approval, 10 copies) Unclassified (explain)
□ 19 Other		c. Withdrawal of service (0-day notice, 10 copies) (explain) (NOT automatic, 15 copies)
□ 20 □ 21 □ 22 □ 23	Introde New P a. Ti Design Update Annua option	COWING ARE TRF FILINGS ONLY, NOT NEW CASES (0-day notice, 3 copies) uction or Extension of Promotional Offering Price List Rate for Existing Service ier 1
THE.	<i>FOLL</i>	OWING ARE CTR FILINGS ONLY, NOT NEW CASES (0-day notice , 7 copies)
	Applic	cation to establish, revise, or cancel an end-user contract. (NOTE: see item 6 on page 1 of this form for carrier-to-carrier contract amendments)
	CTR I	Oocket No TP - CTR (Use same CTR number throughout calendar year)

II. Please indicate which of the following exhibits have been filed. The numbers (corresponding to the list on page (1) and above) indicate, at a minimum, the types of cases in which the exhibit is required:

	[all]	A copy of any motion for waiver of O.A.C. rule(s) associated with this filing. NOTE: the filing of a motion for waiver tolls				
_	[]	any automatic timeframe associated with this filing. Not Applicable.				
	[3]	Completed Service Requirements Form.				
	[3, 9(vii)]	A copy of registrant's proposed tariffs. (Carrier-to-Carrier resale tariff also required if facilities-based)				
<u> </u>	[3]	Evidence that the registrant has notified the Ohio Department of Taxation of its intent to conduct operations as a telephone				
		utility in the State of Ohio.				
	[3]	Brief description of service(s) proposed.				
0	[3a-b,3d]	Explanation of whether applicant intends to provide presold services, particles facilities facilities based services, or both resold and facilities				
		based services.				
	[3a-b,3d]	Explanation as to whether CLEC currently offers CTS services under separate CTS authority, and whether it will be including				
		those services within its CLEC filing, or maintaining such CTS services under a separate affiliate.				
۵	[3a-b,3d]	Explanation of how the proposed services in the proposed market area are in the public interest.				
0	[3a-b,3d]	Description of the proposed market area.				
	[3a-b,3d]	Description of the class of customers (e.g., residence, business) that the applicant intends to serve.				
	[3a-b,3d]	Documentation attesting to the applicant's financial viability, including the following:				
		 An executive Summary describing the applicant's current financial condition, liquidity, and capital resources. 				
		Describe internally generated sources of cash and external funds available to support the applicant's operations that				
		are the subject of this certification application.				
		Copy of financial statements (actual and pro forma income statement and a balance sheet). Indicate if financial				
		statements are based on a certain geographical area(s) or information in other jurisdictions				
		Documentation to support the applicant's cash an funding sources.				
	[3a-d]	Documentation attesting to the applicant's technical and managerial expertise relative to the proposed service offering(s) and				
		proposed service area.				
	[3a-d]	Documentation indicating the applicant's corporate structure and ownership.				
ם	[3a-b,3d]	Information regarding any similar operations in other states. Also, if this company has been previously certified in the State of				
		Ohio, include that certification number.				
□ [3a-b,3d] Verification that the applicant will maintain local telephony records separate and apart from any other accords						
		accordance with the GAAP.				
	[3a-b,3d]	Verification of compliance with any affiliate transaction requirements.				
	[3a-b,3d]					
		interconnection agreement, in retail tariffs, or in resale tariffs.				
	[1,3a-b,3d]	Explanation as to which service areas company currently has an approved interconnection or resale agreement.				
	[3a-b,3d, 9a(i-iii)]	Explanation of whether applicant intends to provide Local Services which require payment in advance of				

		Curtarian pagining dial true			
<u> </u>	[3a,3b,3d,	Customer receiving dial tone. Tariff sheet(s) listing the services and associated charges that must be paid prior to customer receiving dial tone (if applicable).			
	9a,(i-iii)]				
	[3a-b,3d,8]	Letters requesting negotiation pursuant to Sections 251 and 252 of the Telecommunications Act of 1996 and a proposed timeline for construction, interconnection, and offering of services to end users.			
0	[3-5,7,10-11,13]	Certification from Ohio Secretary of State as to party's proper standing (domestic or foreign corporation, authorized use of fictitious name, etc.). In transfer of certificate cases, the transferee's good standing must be established.			
0	[3-4,7,10-11,13]	List of names, addresses, and phone numbers of officers and directors, or partners.			
<u> </u>	[3]	A sample copy of the customer bill and disconnection notice the applicant plans to utilize.			
-	[1,4,9,10-13,16-21]	Copy of superseded tariff sheet(s) & price list(s), if applicable, marked as Exhibit A. Not Applicable.			
	[1,4,9,10-13,16-21]	Copy of revised tariff sheets & price lists, marked as Exhibit B. Not Applicable.			
	[3]	Provide a copy of any customer application form required in order to establish residential service, if applicable.			
	[1-2,4-7,9,12- 13,16,18-23,25]	Description of and rationale for proposed tariff changes, including a complete description of the service(s) proposed or affected. Specify for each service affected whether it is \Box business; \Box residence; or \Box both. Also indicate whether it is a \Box switched or \Box dedicated service. Include this information in either the cover letter or Exhibit C. A description of discontinuance is attached as Exhibit A.			
	[1,2,4,9a(v-vi), 5,10,16,18(b-c), 21]	Specify which notice procedure has been/will be utilized:■ direct mail; □ bill insert; □ bill notation or □ electronic mail. NOTE:			
	1	 □ Tier 1 price list increases must be within an approved range of rates. □ SLF Filings – Do NOT send customer notice until it has been reviewed and approved by Commission Staff. 			
	[2,4-5,9a(v),	Copy of real time notice which has been/will be provided to customers.			
•	9b, 10,12-13,16,	NOTE: SLF Filings – Do NOT send customer notice until it has been reviewed and approved by Commission Staff			
	18(b-c),20-21]	Attached as Exhibits B and C are customer notices.			
	[1,2,5,9a(v),11-13,	Affidavit attesting that customer notice has been provided. Customer Notices will be mailed on July24,2007. An affidavit will			
	18, 21(increase only)]	be provided under separate cover.			
	[2,12]	Copy of Notice which has been provided to ILEC(s).			
	[2,12]	Listing of Assigned (NPA) NXX's where in the LECs (NPA) NXX's would be reassigned.			
	[2,4,10,12-13,]	List of Ohio exchanges specifically involved or affected.			
a	[14]	The interconnection agreement adopted by negotiation or mediation.			
	[15]	For commercial mobile radio service providers, a statement affirming that registrant has obtained all necessary federal authority			
		to conduct operations being proposed, and that copies have been furnished by cellular, paging, and mobile companies to this Commission of any Form 401, 463, and / or 489 which the applicant has filed with the Federal Communications Commission.			
	[15]	Exhibits must include company name, address, contact person, service description, and evidence of registration with the Ohio Secretary of State.			
	[24]	Affidavit that total price of contract exceeds total cost of all regulated services.			
O.	[5,13]	New title sheet with proposed new company name.			
	[1,3,13]	For CLECs, List of Ohio Exchanges the applicant intends to serve (Use spreadsheet from: http://www.puc.state.oh.us/puco/forms/form.cfm?doc_id=357). There will be no post-transaction changes in Ohio Exchanges Pac-West Telecomm, Inc. intends to serve.			
o	[1,3a-b,3d,7, 10,13, 23]	Maps depicting the proposed serving and calling areas of the applicant. There will be no post-transaction change in serving or calling areas of Pac-West Telecomm, Inc.			
	-	If Mirroring Large ILEC exchanges for both serving area and local calling areas: • Serving area must be clearly reflected on an Ohio map attached to tariffs and textually described in tariffs by noting that it is reflecting a particular large ILEC/CLEC territory, and listing the involved exchanges. • Local calling areas must be clearly reflected on an Ohio map attached to the tariffs, and/or clearly delineated in tariffs, including a complete listing of each exchange being served and all exchanges to which local calls can be made from each of those exchanges.			
		If Self-defining serving area and/or local calling area as an area other than that of the established ILEC exchange(s): • Serving Area must be clearly reflected on an Ohio map attached to the tariffs, and textually described in tariffs by listing the involved exchanges. • Local Calling Areas must be described in the tariff through textual delineation and clear maps. Maps for self-defined serving and local calling areas are required to be traced on United States Geological Survey topography maps. These maps are the Standard Topographic Quadrangle maps, 7.5 minute 1:24,000. Other information requested by the Commission staff.			
	[3]	Initial certification that includes Tier 2 Services, indicate which option you intend to adopt to maintain the tariff:			
	n. d	□ Paper Tariff □ Electronic Tariff - If electronic, provide the web address for the tariff:			

III. Registrant hereby attests to its compliance with the following requirements in the Service Requirements Form, as well as all pertinent entries and orders issued by the Commission with respect to these issues. Further, registrant hereby affirms that it will maintain with its TRF docket an up-to-date, properly marked, copy of the Service Requirements Form available for public inspection.

MANDATORY REQUIREMENTS FOR ALL BASIC LOCAL EXCHANGE AND CTS PROVIDERS:

[x] Sales tax

[[]x] Minimum Telephone Service Standards (MTSS)

MANDATORY REQUIREMENTS FOR ALL BASIC LOCAL EXCHANGE PROVIDERS:

[x] 1+ IntraLATA Presubscription

SERVICE REQUIREMENTS FOR PROVISION OF CERTAIN SERVICES (CHECK ALL APPLICABLE):

- Discounts for Persons with Communication Disabilities and the Telecommunication Relay Service [Required if toll service provided]
- □ Emergency Services Calling Plan [Required if toll service provided]
- ☐ Alternative Operator Service (AOS) requirements [Required for all providing AOS (including inmate services) service]
- D Limitation of Liability Language [Required for all who have tariff language that may limit their liability]
- □ Termination Liability Language [Required for all who have early termination liability language in their tariffs]
- □ Service Connection Assistance (SCA) [Required for all LECs]
- □ Local Number Portability and Number Pooling [Required for facilities-based LECs]
- □ Package Language [Required for tariffs containing packages or service bundles containing both local and toll and/or non-regulated services]
- IV. List names, titles, phone numbers, and addresses of those persons authorized to respond to inquiries from the Consumer Services Department on behalf of the applicant regarding end-user complaints:

The person authorized to respond to inquiries from the Consumer Services Department on behalf of Pac-West Telecomm Inc. is:

Ethan Sprague Vice President, Regulatory Affairs Pac-West Telecomm, Inc. 4210 Coronado Avenue Stockton, CA 95204

Tel: 209-926-3416 Fax: 209-926-4105

Email: esprague@pacwest.com

To the extent this information changes following the transaction, Pac-West will update the Commission's records.

V. List names, titles, phone numbers, and addresses of those persons authorized to make and/or affirm or verify filings at the Commission on behalf of the applicant:

Ethan Sprague Vice President, Regulatory Affairs Pac-West Telecomm, Inc. 4210 Coronado Avenue

Stockton, CA 95204 Tel: 209-926-3416 Fax: 209-926-4105

Email: esprague@pacwest.com

Jean L. Kiddoo Brett Ferenchak

Bingham McCutchen LLP

2020 K Street, N.W., Suite 1100

Washington, DC 20006 Tel: (202) 373-6000 Fax: (202) 373-6001

Email: jean.kiddoo@bingham.com brett.ferenchak@bingham.com <u>NOTE</u>: An annual report is required to be filed with the Commission by each company on an annual basis. The annual report form will be sent for completion to the address and individual(s) identified in this Section unless another address or individual is so indicated.

VI. List Name(s), DBA(s) and PUCO Certification Number(s) of any affiliates you have operating in Ohio under PUCO authority, whether Telecommunication or other. (If needed, use a separate sheet and check here:

□)

Currently, Pac-West is not affiliated with any utilities in Ohio.

VERIFICATION

I, Ethan Sprague verify that I have utilized, verbatim, the Commission's Telecommunications Application Form and that all of the information submitted here, and all additional information submitted in connection with this case, is true and correct to the best of my knowledge.

Etta Sprage

Vice President, Regulatory Affairs 7/24/07

*(Signature and Title)

(Date)

*Verification is required for every filing. It may be signed by counsel or an officer of the applicant, or an authorized agent of the applicant.

Send your completed Application Form, including all required attachments as well as the required number of copies, to:

Public Utilities Commission of Ohio

Attention: Docketing Division (or to the Telecommunications Division Chief if a prefiling submittal)
180 East Broad Street, Columbus, OH 43215-3793

ATTACHMENTS

Attachment A - Description of the Transaction

Attachment B Sample Customer Notice Letter Regarding Discontinuance

Attachment C Sample Customer Notice Letter Sent Pursuant to Master Services

Agreement

Attachment D Letter to NPAC

ATTACHMENT A

Description of the Transaction

Pac-West Telecomm, Inc. ("Pac-West") hereby notifies the Public Utilities Commission of Ohio of the planned discontinuance of all telecommunications service to customers in Ohio. This discontinuance is being undertaken as part of Pac-West's bankruptcy reorganization²

On April 30, 2007, Pac-West filed for protection under Chapter 11 of the U.S. Bankruptcy Laws in the U.S. Bankruptcy Court for the District of Delaware.³ As part of the bankruptcy, Pac-West has been working diligently to improve its profitability and to reduce costs and unnecessary obligations to return the company to its historical profitability. Pac-West has collaborated closely with its creditors, carriers, vendors, and its debtor-in-possession ("DIP") lender to explore its options. We have concluded that the markets served by Pac-West's eastern network, which includes Ohio, are likely to continue to operate at a substantial loss for the foreseeable future and that these losses are unsustainable. We are dependent on financing provided by our DIP lender and the lender has informed us that it does not support the continued financing of losses incurred in the eastern markets. The DIP lender is very likely to condition advances on the DIP loan on Pac-West's rapidly eliminating the cash losses from the eastern network and to hold Pac-West to a funding budget that makes no room for funding the eastern network. Moreover, parties with whom Pac-West has had discussions regarding purchasing the assets of Pac-West or funding a plan of reorganization have all made clear that such transactions would not include the eastern network because of the losses it is incurring. Regrettably, after much consideration Pac-West has determined that exiting the "eastern" regional footprint is essential to Pac-West's ability to successfully reorganize.

Pac-West has therefore decided to discontinue all telecommunications services provided to customers in the 25-state/jurisdiction region, including those located in Ohio. It has become clear to Pac-West and our DIP lender that the eastern region business is not able to become profitable. Unfortunately Pac-West was not able to gain the business volumes and revenues needed to support these eastern markets even with our competitive customer pricing and quality services. This has put at risk the continued availability of financing for operations in these markets and could place the Company in jeopardy of a precipitous disruption of service to customers in the eastern region that includes Ohio.

Simply put, if Pac-West continues to try to provide service to both the eastern and western regions we will be unable to successfully reorganize and emerge from bankruptcy. This

To the extent necessary, Pac-West requests that the Commission expeditiously approve the planned discontinuance consistent with the time frame outlined herein.

In re PAC-WEST TELECOMM, INC., et al., Chapter 11 Case No. 07-10562 (BLS) (Bankr. Dist. Del.).

The 25 "eastern region" jurisdictions include: Alabama, Delaware, District of Columbia, Florida, Georgia, Illinois, Indiana, Kansas, Kentucky, Maryland, Michigan, Minnesota, Mississippi, Missouri, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Texas, Virginia, and Wisconsin (collectively, the "Exit Markets").

risks a discontinuance of service to all of our customers in all locations, and would also contravene Pac-West's obligation in bankruptcy to protect the value of the business for its creditors.

Regrettably, therefore, the choices Pac-West has are few. In order to continue to serve the majority of customers and be able to successfully emerge from bankruptcy, we have decided to exit markets served by a costly network where traffic and customer counts are low and revenues do not cover costs. This is a difficult decision and we do not leave these markets or our customers lightly. In our view, however, it has been critical to face up to the reality quickly because we cannot assure the continued availability of financing for the operations in the eastern region. Taking the initiative, and not waiting for a precipitous action by a third party, will maximize as much as possible the amount of notice that we can provide our eastern region customers and thereby minimize the risk of a service disruption.

A. <u>Information Regarding Discontinuance</u>

1. Name, address, and brief description of carrier

Pac-West Telecomm, Inc. 4210 Coronado Avenue Stockton, CA 95204

In Ohio, Pac-West is authorized to provide local exchange and interexchange telecommunications services pursuant to authority granted by the Commission in Case No. 05-1417-TP-ACE, Certificate No. 90-9318 on December 21, 2005.

Pac-West's toll-free customer service telephone number for customer inquiries concerning the discontinuance is 1-877-626-4325. The DIP lender has stated that its willingness to continue funding Pac-West's cash requirements is conditional on exiting from these markets and with its satisfaction with the progress being made to effect the exit. The speed with which customers migrate off Pac-West's network is beyond Pac-West's control.

2. Date of planned service discontinuance

The anticipated date for the discontinuance of service is on or about August 23, 2007. However, because Pac-West no longer has assurance for funding for the Exit Markets, Pac-West cannot guarantee that it will have funding available be able to continue service through that date.

While we still believe in the market potential of the eastern region for us, our business in those markets is at an early stage of development and would require substantial continued investment that we are simply not in a position to make at this time. Nevertheless, we are hopeful that following our reorganization we will again be in a position to expand the business and, therefore, are not requesting that the Commission cancel our certificate at this time.

To the extent Commission rules require a longer notice period, Pac-West submits that the circumstances set forth in section 3 below demonstrate that a 30 day notice is adequate for the types of services involved and given its bankruptcy status, Pac-West cannot continue to provide the services beyond 30 days and, therefore, requests waiver of those requirements.

Pac-West, therefore, has stressed to its customers the need to promptly select a new service provider and make appropriate arrangements to move their services to that provider.

3. Number and Types of customers affected

Pac-West will discontinue all services provided to approximately 30 customers in Ohio. These customers are sophisticated service provider customers such as Internet service providers and enhanced service providers, including VoIP providers. <u>Pac-West does not serve any end user customers in Ohio.</u> A list of affected customers will be provided *under seal* upon request.

The affected service providers tend to use multiple and redundant underlying carriers for their telecommunications services. Virtually all of Pac-West's contracts with the customers expressly allow Pac-West to eliminate a market or region from its geographic service footprint on thirty (30) days' notice, and Pac-West expects that they understood and can comply with that notice period. Pac-West will be working with all of its customers to facilitate their transition of service, and in particular is reaching out to the one (1) customer with 60-day termination clauses in its contracts to be sure that they know they must move their service more rapidly than contemplated in the contracts.

4. Brief description of the type of service affected

Pac-West's customers purchase telecommunications services from Pac-West and incorporate those services in products that they provide to their end users. Such Pac-West services include, without limitation inbound and outbound customer PSTN access, foreign exchange, and managed modem services (together and separately, the "Services").

5. Brief description of the dates and methods of notice to all affected customers

Written notice to all of Pac-West's customers, substantially in the form of the sample letters attached as Attachments B and C, was mailed on July 24, 2007. The sample customer notice letter provided in Attachment B contains the information required by Section 63.71(a) of the FCC's Rules. The sample customer notice letter provided in Attachment C was sent pursuant to the Master Services Agreement to formally notify customers that Pac-West is exercising its contractual right to discontinue service in 30 days. Both letters were sent to all customers other than the customers in the eastern region who received a version of the letter provided in Attachment C modified to reflect their 60-day notice period under their respective Master Services Agreements.

6. Ongoing Efforts to Provide for Continuity of Service

To the extent possible, Pac-West will work with new carriers selected by its customers to effectuate the transition to those new carriers' networks. Pac-West will also make available to its affected customers information on assigned telephone numbers and other information that the customers or their replacement carriers may wish to use to effect a rapid migration. To that end, Pac-West has sent the letter provided as <u>Attachment D</u> to the Number Portability Administration Center c/o Neustar ("NPAC") (1) asking the NPAC process number porting orders affecting services in the Exit Markets as expeditiously as possible and (2) providing Pac-West's preapproval for any validly submitted order or request to port a number currently assigned to Pac-

West. Finally, Pac-West will be contacting the incumbent local exchange carriers and other prominent carriers in the Exit Market to solicit their cooperation with Pac-West's customers affected by this action and the replacement carriers that they choose.

As stated above, the vast majority of Pac-West's services are wholesale in nature and its customers are primarily Internet service providers and other sophisticated telecommunications customers who will understand the urgency of the notices and are able to migrate their service promptly. In fact, many of Pac-West's ISP customers already utilize the same or functionally equivalent services provided by other carriers and routinely route their traffic on a dynamic basis to multiple carriers daily. Pac-West's notice letter has clearly emphasized the imperative that customers take immediate steps to migrate their services within 30 days.

7. Additional questions regarding this filing may be addressed to:

Ethan Sprague Vice President, Regulatory Affairs Pac-West Telecomm, Inc. 4210 Coronado Avenue Stockton, CA 95204

Tel: 209-926-3416 Fax: 209-926-4105

Email: esprague@pacwest.com

and

Jean L. Kiddoo Brett Ferenchak Bingham McCutchen LLP 2020 K. Street, N.W., Suite 1100 Washington, DC 20006

Tel: (202) 373-6000 Fax: (202) 373-6001

Email: jean.kiddoo@bingham.com brett.ferenchak@bingham.com

8. Circumstances of Discontinuance

As described more fully on pages 1-2 supra, on April 30, 2007, Pac-West filed for protection under Chapter 11 of the U.S. Bankruptcy Laws in the U.S. Bankruptcy Court for the District of Delaware. As part of the Chapter 11 proceedings, Pac-West is applying to the Bankruptcy Court for approval to reject contracts for services in the Exit Markets. Further, continued availability of financing for Pac-West's operations in the Exit Markets is not assured, which could jeopardize Pac-West's ability to continue to provide service during the Chapter 11 proceedings. Notwithstanding the financial situation that might otherwise warrant immediate cessation of operations in a bankruptcy proceeding, Pac-West recognizes that it has obligations

Pac-West provided the Commission notice of the Chapter 11 filing shortly thereafter.

under federal and state regulations to provide notice to their customers of the pending discontinuance so that the customers have an opportunity to transfer services to another carrier without interruption. To comply as much as possible with these obligations, Pac-West is proposing to the Bankruptcy Court that it discontinue service to the Exit Markets no later than 30 days after the date of the notice to customers (recognizing that there is no assurance that it will have continued financing for operations in the Exit Markets even for this period), rather than immediately.

9. Public Interest Considerations

Pac-West's disconnection of service to its customers, while regrettable, is necessary and appropriate, and will not adversely affect the public convenience and necessity. The public will not be unduly harmed by the discontinuance of the services described above because affected customers will be given notice that affords them an opportunity to transfer to a new carrier. As indicated herein, Pac-West is undertaking a customer notification initiative that is aimed at providing customers with sufficient notice and opportunity to select another provider. Further, Pac-West will make a concerted effort to ensure an orderly transition of service for all customers.

ATTACHMENT B

Sample Customer Notice Letter Regarding Discontinuance



NOTICE OF SERVICE DISCONTINUANCE

YOU MUST TAKE IMMEDIATE ACTION TO PREVENT DISRUPTION OF YOUR SERVICE AND SERVICE TO YOUR END USERS

DO NOT DISREGARD THIS NOTICE

July 24, 2007

Re: <u>Termination of All Services in Certain States and the District of Columbia</u>

Dear Pac-West Customer:

As part of its reorganization under Chapter 11 of the Bankruptcy Code, Pac-West Telecomm, Inc. and Pac-West Telecomm of Virginia, Inc. ("Pac-West") WILL BE SEEKING BANKRUPTCY COURT AUTHORIZATION TO DISCONTINUE <u>ALL SERVICE</u> IN THE FOLLOWING LOCATIONS ("Exited Markets"):

Pac-West Exited Markets				
Alabama	Illinois	Michigan	New Jersey	South Carolina
Delaware	Indiana	Minnesota	New York	Tennessee
District of Columbia	Kansas	Mississippi	Ohio	Texas
Florida	Kentucky	Missouri	Pennsylvania	Virginia
Georgia	Maryland	North Carolina	Rhode Island	Wisconsin

The discontinuance of services in these locations will affect <u>ALL</u> of the services that Pac-West provides to Service Provider Customers such as VoIP Providers, Enhanced Service Providers, Internet Service Providers ("ISPs") and Telecommunications Providers that purchase services from Pac-West and incorporate those services in products that they provide to their customers. Such Pac-West services include, without limitation: public switched telephone network ("PSTN") origination and termination services, direct inward dial numbers, managed modem, collocation services, foreign exchange, private line, telephone numbers and transport services (together and separately, the "Services").

Pac-West reserves the right to withdraw this notice if the Bankruptcy Court declines to grant the requested authority.

After a careful review of its options, Pac-West has concluded (i) that discontinuing Services in the Exited Markets is essential to its being able to reorganize under Chapter 11, and Pac-West is therefore applying to the Bankruptcy Court for approval to reject certain contracts for Services and network elements in the Exited Markets, and (ii) that the continued availability of financing for its operations in the Exited Markets is not assured, which jeopardizes Pac-West's ability to continue to provide Services in the Exited Markets during the Chapter 11 proceedings.

Pac-West anticipates that it will be able to continue providing the Services in the Exited Markets for 30 days after the date of this notice. However, there is no assurance that Pac-West will have continued financing for operations in the Exited Markets even for this period. You should therefore immediately make alternative arrangements for your Services in the Exited Markets and convert to an alternate provider as quickly as possible.

YOUR IMMEDIATE ACTION IS REQUIRED! YOU MUST <u>IMMEDIATELY</u> SELECT A NEW TELECOMMUNICATIONS PROVIDER(S) TO REPLACE ALL SERVICES THAT YOU CURRENTLY OBTAIN FROM PAC-WEST.

BECAUSE PAC-WEST CANNOT GUARANTEE THAT THE NETWORK SERVING THE EXITED MARKETS WILL REMAIN OPERATIONAL FOR ANY PREDICTABLE PERIOD OF TIME, YOU AND ANY END USERS TO WHOM YOU PROVIDE SERVICE USING ANY PAC-WEST SERVICES MAY LOSE SERVICE IN THE EXITED MARKETS IMMEDIATELY AND WITHOUT FURTHER NOTICE.

Pac-West has very limited information about the end-users of its Service Provider Customers. To the extent that discontinuance of Pac-West service could affect the primary telephone service of any of your end users, you should consider whether to provide notice to your end users that their services may be interrupted for some period of time while you transition Services to a new carrier, and whether to give priority to the migration to other providers of those end-users and any users such as hospitals or law enforcement agencies that provide important public services.

PLEASE DO NOT DELAY in arranging for a new telecommunications carrier for all of the Services you currently obtain from Pac-West. You must take immediate action to identify a new carrier, authorize that new carrier to port all of your assigned telephone numbers from Pac-West to its service, and expedite any orders for physical facilities necessary to connect your network to the new carrier.

- If you currently have blocks of telephone numbers assigned by Pac-West, we urge
 that you make arrangements for your new carrier to port those numbers on a mass
 basis to expedite the process. Pac-West will cooperate in this by agreeing to let your
 new carrier port the numbers to its network as quickly as possible, subject only to any
 minimum waiting period required by applicable law and providing you, upon request,
 with lists of the telephone numbers assigned to you by Pac-West or ported by your
 customers to Pac-West.
- If not already in place, you must also establish any required network connections between your network and the network of the new carrier prior to porting local telephone numbers to ensure that the calls will be completed.

Pac-West is also informing the Federal Communications Commission ("FCC") and state public utility commissions of this development. The FCC permits customers to object to discontinuance of their service by a telecommunications provider. As provided in the FCC's rule 47

Pac-West

CFR 63.71:

The FCC will normally authorize this proposed discontinuance of service unless it is shown that customers would be unable to receive service or a reasonable substitute from another carrier or that the public convenience and necessity is otherwise adversely affected. If you wish to object, you should file your comments as soon as possible, but no later than 15 days after the Commission releases public notice of the proposed discontinuance. Address them to the Federal Communications Commission, Wireline Competition Bureau, Competition Policy Division, Washington, D.C. 20554, and include in your comments a reference to the Section 63.71 Application of Pac-West Telecomm, Inc. Comments should include specific information about the impact of this proposed discontinuance upon you or your company, including any inability to acquire reasonable substitute service.

This action affects Services only in the Exited Markets. Pac-West's services in other states are not affected by this notice.

Pac-West appreciates the opportunity it has had to serve you. We will try our best to make the transition of your Service(s) as smooth as possible. If you have any questions regarding the discontinuance of our Services or the refund of any unused Services or deposits, please contact us at 1-877-626-4325.

Sincerely yours,

Pac-West Customer Service

ATTACHMENT C

Sample Customer Notice Letter Sent Pursuant to Master Services Agreement



NOTICE UNDER MASTER SERVICES AGREEMENT OF EXIT FROM CERTAIN REGIONS

July 24, 2007

To: ALL SERVICE PROVIDER CUSTOMERS

Re: 30-Day Notice under Section 18.1 and 18.2 of Master Services Agreement

Elimination of 25-State Region from Pac-West Service Footprint

Dear Pac-West Customer:

Pac-West Telecomm, Inc. and Pac-West Telecomm of Virginia, Inc. ("Pac-West") ARE EXERCISING THEIR CONTRACTUAL RIGHT TO EXIT THE REGIONS IN THE FOLLOWING 25 STATES (the "Exited Markets"):

Pac-West Exited Markets				
Alabama	Illinois	Michigan	New Jersey	South Carolina
Delaware	Indiana	Minnesota	New York	Tennessee
District of Columbia	Kansas	Mississippi	Ohio	Texas
Florida	Kentucky	Missouri	Pennsylvania	Virginia
Georgia	Maryland	North Carolina	Rhode Island	Wisconsin

This notice applies to ALL SERVICES in the Exited Markets.

This notice is given pursuant to the Master Services Agreement ("MSA") between you and Pac-West. You are required pursuant to this notice to cease using any services from Pac-West in the markets within thirty (30) days of the date of this notice. No orders will be accepted and no services will be activated in the Exited Markets as of the date of this notice. Local and intrastate termination will not be available in the Exited Markets thirty (30) days after the date of this notice. Pursuant to the MSA, you are permitted to immediately terminate services in the affected region without penalty. Please be aware that you remain responsible for payment in full for all services provided to you until the date of discontinuation.

In order to avoid any disruption of service to you or to any end users you serve using Pac-West services, you should immediately make alternative arrangements for your services in the Exited Markets and convert to an alternate provider as quickly as possible.



Reference is also made to Pac-West's notice to service provider customers taking Pac-West services in the Exited Markets of our application to the Bankruptcy Court seeking authority to terminate all services in the Exited Markets within thirty (30) days. In that notice, Pac-West strongly urges its service provider customers to make alternative arrangements and to have completed their migration to other providers within thirty (30) days. Pac-West reserves the right to withdraw these notices if the Bankruptcy Court declines to grant the requested authority.

To assist you in this process, Pac-West will provide blanket authority to the Number Portability Administration Center to port all telephone numbers assigned to you in the Exited Markets. We urge you to make arrangements for your new carrier to port the numbers on a mass or automated basis to expedite the migration. We can provide you, on request, with a list of the telephone numbers that our records show are assigned to you by Pac-West or ported by your customers to Pac-West. We also remind you that, if they are not already in place, you must establish any required network connections between your network and the network of the new carrier prior to porting telephone numbers to ensure call completion.

Pac-West appreciates the opportunity it has had to serve you. We will try our best to make the transition of your Service(s) in the Exited Markets as smooth as possible. If you have any questions regarding the discontinuance of our Services or the refund of any unused Services or deposits, please contact us at 1-877-626-4325.

Sincerely yours,

Pac-West Customer Service

ATTACHMENT D

Letter to NPAC



July 24, 2007

Number Portability Administration Center (NPAC) c/o NeuStar, Inc. Attention: Legal Department 4600 Center Oak Plaza Sterling, VA 20166

Fax: (253) 563-5602

Dear Sirs:

Request for Expedited Number Porting Procedures in Certain States and the District of Columbia

As part of its reorganization under Chapter 11 of the Bankruptcy Code, Pac-West Telecomm, Inc. and Pac-West Telecomm of Virginia, Inc. ("Pac-West") have issued notices to their service provider and end-user customers that they intend to discontinue all services in the District of Columbia and the following states ("Exited Markets"):

Pac-West Exited Markets				
Alabama	Illinois	Michigan	New Jersey	South Carolina
Delaware	Indiana	Minnesota	New York	Tennessee
District of	Kansas	Mississippi	Ohio	Texas
Columbia		• •		
Florida	Kentucky	Missouri	Pennsylvania	Virginia
Georgia	Maryland	North Carolina	Rhode Island	Wisconsin

After a careful review of its options, Pac-West has concluded (i) that discontinuing services in the Exited Markets is essential to its ability to reorganize under Chapter 11, and Pac-West is therefore applying to the Bankruptcy Court for approval to reject contracts for services in the Exited Markets, and (ii) that the continued availability of financing for its operations in the Exited Markets is not assured, which could jeopardize Pac-West's ability to continue to provide service during the Chapter 11 proceedings.

Pac-West anticipates that it will be able to continue providing the services in the Exited Markets for 30 days after the date of the notices. However, there is no assurance that it will have continued financing for operations in the Exited Markets even for this period. Pac-West has therefore notified its customers in the Exited Markets that they must immediately make alternative arrangements for their services in the Exited Markets and convert those services to new providers as quickly as possible.

This action affects services only in the Exited Markets. Pac-West's services in other states are not affected by these notices.

Nearly all of Pac-West's service provider and end-user customers in the Exited Markets will have to port their telephone numbers to other providers. We anticipate the possibility that Pac-West's limited remaining staff could be overwhelmed by the volume of number portability requests. Pac-West therefore requests NPAC to process number porting orders affecting services in the Exited Markets as expeditiously as possible. To the extent that its approval is required for any of the porting process, this letter provides Pac-West's approval. Specifically,

- By this letter Pac-West hereby approves any otherwise validly submitted order or request to port a number currently assigned to Pac-West in the Exited Markets.
- To the extent that there are other activities where, under normal circumstances, NPAC
 typically would wait to process the port-out request based on confirmation from Pac-West or
 some other affirmative act by Pac-West, Pac-West hereby authorizes NPAC to process the
 port out request without waiting for such confirmation or other affirmative act by Pac-West.
- Pac-West also authorizes NPAC to make such NPAC SMS, other system changes and/or changes in the Pac-West "tunables" so that Pac-West's concurrence windows are reduced, to the extent possible, to zero.
- Any otherwise validly submitted order to port a number from Pac-West in the Exited Markets should not be held up by Pac-West's inability to concur or approve the customer transfer.
- This "blanket" pre-approval applies only to the Exited Markets.

This "blanket" pre-approval does not relieve any entity (including but not limited to any carrier submitting a port request or any vendor that processes the request) of its responsibility to comply with applicable law and regulations, including those prohibiting "slamming". As NPAC is likely aware, any potential "slamming" liability rests with the submitting carrier not with either NPAC or Pac-West.

Copies of this letter are being provided to NeuStar, Inc., VeriSign, Inc., Synchronoss Technologies, Inc., Wisor and AT&T Connecticut SNET Service Bureau for Number Portability snd may also be provided to other vendors of number portability order management services.

Questions on customer migration and number portability may be addressed to Kim Rego at (209) 926-4214 or krego@pacwest.com or Joseph Perez at (209) 926-3101 or krego@pacwest.com.

Sincerely yours,

PAC-WEST TELECOMM, INC.