



RECEIVED

NOV 23 2015

PUBLIC SERVICE
COMMISSION

ANDREW O. ISAR

4423 POINT FOSDICK DRIVE, NW
SUITE 306
GIG HARBOR, WA 98335
TELEPHONE: 253.851.6700
FACSIMILE: 866.474.3630
WWW.MILLERISAR.COM

Via Overnight Delivery

November 20, 2015

Mr. Jeff R. Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, KY 40602

RE: Notification Regarding the Acquisition of NovaTel Ltd., Inc. (CLEC Utility ID 5056280 / LD Utility ID 5178200) Assets by X5 OpCo LLC

Dear Mr. Derouen:

NovaTel Ltd., Inc. ("NovaTel") and X5 OpCo LLC ("X5 OpCo") (jointly "the Companies"), hereby notify the Kentucky Public Service Commission ("Commission") that X5 OpCo is acquiring certain Kentucky assets, including NovaTel's subscriber base, through a mutually negotiated Asset Purchase Agreement ("Transaction").¹ As a result of the Transaction, NovaTel's Kentucky commercial interexchange subscribers² and other assets will be transferred to X5 OpCo. NovaTel will cease to provide telecommunications services in Kentucky following the transfer.

I. Description of the Parties.

X5 OpCo LLC (Transferee). X5 OpCo is a limited liability company formed under the laws of the State of Delaware in 2014. X5 is a wholly owned subsidiary of X5 Holdings LLC ("X5 Holdings") which, in turn, is majority owned and controlled by NewSpring Holdings LLC ("NewSpring"). NewSpring is a limited liability company organized under the laws of the State of Delaware. NewSpring is a private equity fund that seeks to partner with successful business

¹ It is the Companies understanding that prior Commission action is not required for the Companies to complete the Transaction. The Companies submit this notice for the Commission's information.

² NovaTel does not provide local exchange services and does not serve residential subscribers.

owners and management teams to grow profitable businesses. X5 OpCo maintains authority to provide domestic interstate interexchange and international telecommunications. X5 OpCo has contemporaneously submitted a *Letter of Initiation of Service* to the Commission. X5 recognizes that it may not complete the Transaction and initiate services in Kentucky until the Company's *Letter of Initiation of Service* is accepted by the Commission.

NovaTel Ltd., Inc. (Transferor). NovaTel is a corporation organized under the laws of the State of Texas in 2007 when converted from a limited partnership originally formed in 2000. NovaTel is a provider of regulated time division multiplex interexchange voice, network services including unregulated Ethernet, unregulated MPLS/VPN, and regulated dedicated, non-switched, private line services. NovaTel provides intrastate, interstate, and international switched and dedicated interexchange telecommunications services. NovaTel operates as an interexchange reseller and was granted authority as a competitive local exchange carrier, but does not provide local exchange services in the Commonwealth of Kentucky.³

II. Description of the Transaction.

On October 13, 2015, NovaTel and X5 OpCo entered into an Asset Purchase Agreement ("Agreement") whereby NovaTel agreed to sell, and X5 OpCo agreed to acquire, certain NovaTel assets including interexchange subscribers located in Kentucky and other jurisdictions served by the NovaTel. Under the terms of the Agreement, X5 OpCo is to provide transferred NovaTel subscribers the same services under the same rates, terms and conditions provided by NovaTel. The Transaction becomes effective on or about December 15, 2015, or following regulatory approvals where required. NovaTel has made an affirmative business decision to cease the provision of telecommunications services following the consummation of the Agreement and requisite regulatory approvals. NovaTel requests that its current Kentucky authorities be cancelled at that time. NovaTel does not maintain Kentucky tariffs. No Adoption Notice is filed, accordingly. X5 OpCo has elected not to file tariffs in Kentucky. In lieu of Kentucky tariffs, a Service Guide containing the rates, terms and conditions of services offered in Kentucky, has been posted on the Company's web site at www.x5solutions.com.

III. Customer Notification.

In accordance with the terms of their service contracts and the rules and procedures of the Federal Communications Commission ("FCC") and applicable state regulations, subscribers are being properly notified of the Transaction and the change in their telecommunications provider from NovaTel to X5 OpCo. NovaTel and X5 OpCo are providing customers with more than 30 days advanced notice of the transfer pursuant to Section 64.1120(e) of the FCC's rules, 47 C.F.R. §64.1120(e). Notification of the transaction has also been provided to the FCC pursuant to 47 C.F.R. §64.1120(e). A copy of the draft notification letter is attached as Attachment 1.

³ CLEC Utility ID 5056280 / LD Utility ID 5178200

IV. Designated Contacts

Questions or ongoing correspondence, orders, or other Commission communications should continue to be directed to the following individuals:

For NovaTel Ltd., Inc.:

Company Contact:

Alan W. Saltzman
Chief Financial Officer
NovaTel Ltd., Inc.
11550 IH-10 West, Suite 110
San Antonio, TX 78230
Telephone: 210.698.8005
Email: asaltzman@NovaTelnetworks.com

Regulatory Contact

Judith A. Riley, Esq.
President
Telecom Professionals, Inc.
12316 Hidden Forest Boulevard
Oklahoma City, OK 73172-0128
Telephone: 405.755.8177 Extension 100
E-mail: jriley@telecompliance.net

For X5 OpCo LLC:

Company Contact:

Barbara Meyer
Controller
X5 OpCo LLC
1008 Western Ave.
Suite 400
Seattle, WA 98104
Telephone: 206.973.5865
E-mail: regulatory@x5solutions.com

Regulatory Contact

Andrew Isar
Miller Isar, Inc.
4423 Point Fosdick Drive NW
Suite 306
Gig Harbor, WA 98335
Telephone: 253.851.6700
Email: aisar@millerisar.com

V. Public Interest Considerations.

The proposed assignment of NovaTel's assets to X5 OpCo serves the public interest and will cause no offsetting public interest harms. The Transaction will provide additional capitalization needed to expand services and operations, and enhance the Company's ability to provide competitive telecommunications services to the public. Further, X5 OpCo's broad management experience will enable X5 OpCo to explore new innovative service opportunities and provide added value to former NovaTel subscribers. The proposed assignment does not raise any competitive concerns.

The Transaction will be entirely transparent to subscribers and customers. The Transaction will not result in any immediate change in service rates, terms, and conditions, and will not result in the discontinuance, reduction, loss, or impairment of service to subscribers or customers.

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

Respectfully submitted,

MILLER ISAR, INC.



Andrew O. Isar

Regulatory Consultants to
X5 OpCo LLC

Attachment

ATTACHMENT 1

X5 OpCo LLC
1008 Western Avenue, Suite 400
Seattle, WA 98104

NovaTel Ltd., Inc.
1008 Western Avenue, Suite 400
Seattle, WA 98104

Notice of Carrier Change

November 17, 2015

Dear Valued NovaTel Ltd., Inc. Customer:

X5 OpCo LLC recently announced an agreement with NovaTel Ltd, Inc. to acquire certain assets of NovaTel Ltd, Inc., subject to regulatory approval, including your account and services. Once the regulatory approval finalizes your services will be provided by X5 OpCo LLC but under your current contract terms with NovaTel Ltd, Inc.

Please rest assured that the transaction will not affect the services you currently receive from NovaTel Ltd, Inc. You will continue to receive your services with the same rates, features, terms, and conditions as you currently enjoy, while also gaining access to a full range of additional X5 OpCo LLC telecommunications services.

X5 OpCo LLC will automatically become your telecommunications provider upon final close and regulatory approval on or after December 17th 2015. This change will be completely seamless for you and you do not need to do anything in order for this to occur. X5 OpCo LLC will take care of all the details and will be responsible for any change fees associated with transferring your account. However, it is important that you be aware of the following information. You are responsible for continued payment of your monthly recurring and usage charges throughout this period. Unless you have made arrangements on your own to switch your provider prior to the date that your services transfer to X5 OpCo LLC, your account will be automatically transferred and your services contract assigned to X5 OpCo LLC.

As stated above, X5 OpCo LLC will continue providing the same or expanded services you currently receive from NovaTel Ltd., Inc. These services may include, but are not limited to: point-to-point data circuits, DS-1 and DS-3 circuits, MPLS, Ethernet bandwidth, domestic voice origination and termination services, international voice origination and termination services, data center, IAS and cloud services. Subject to the terms of your current contract, you have the option to select another provider. We value your business and we hope that X5 OpCo LLC may continue to serve you.

In the event there are any changes to your services following the transaction they will be made in compliance with your contract, service terms and applicable federal and state regulatory requirements.

Our mission is to continue to provide superior products and services to our customers. We want to thank you for your continued support. Welcome to X5! We look forward to meeting all your long distance communication needs. If you have any questions or concerns regarding your service or this transaction you can contact X5 OpCo LLC customer service at 888-588-1501.

Sincerely,
The Management Team
X5 OpCo LLC

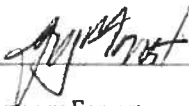
VERIFICATION

State of WASHINGTON)
)
County of KING)

Personally appeared before the undersigned, an officer duly authorized to administer oaths, Gregory Forrest, who first being duly sworn, deposes and says that he is President and Chief Executive Officer of Applicant, X5 OpCo LLC; that he has read the attached notice and knows the contents thereof; and, that the statements made therein are true to the best of his knowledge and belief.

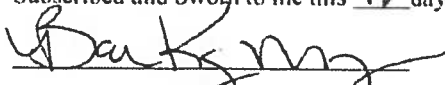
Dated this 12 day of November, 2015.

X5 OpCo LLC

By: 

Gregory Forrest
President and Chief Executive Officer
1008 Western Avenue, Suite 400
Seattle, WA 98104
Telephone: 206.973.5800

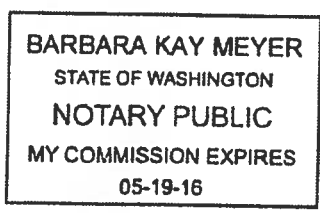
Subscribed and Sworn to me this 12 day of November, 2015.



Notary Public Barbara Kay Meyer

My Commission Expires 5/19/16

SEAL



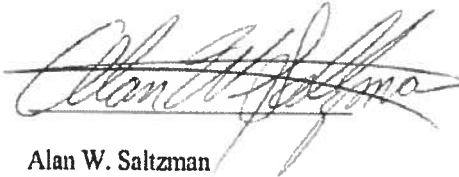
VERIFICATION

State of TEXAS)
)
County of BEXAR)

Personally appeared before the undersigned, an officer duly authorized to administer oaths, Alan W. Saltzman, who first being duly sworn, deposes and says that he is Chief Financial Officer of Applicant, NovaTel Ltd., Inc.; that he has read the attached notice and knows the contents thereof; and, that the statements made therein are true to the best of his knowledge and belief.

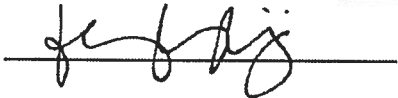
Dated this 19th day of November, 2015.

NOVATEL LTD., INC.

By: 

Alan W. Saltzman
Chief Financial Officer
11550 IH-10 West, Suite 110
San Antonio, TX 78230
Telephone: 210.698.8005

Subscribed and Sworn to me this 19th day of November, 2015.



Notary Public

My Commission Expires

4/25/2018

SEAL

