

VarTec Telecom, Inc.

April 27, 2006

VIA OVERNIGHT DELIVERY

Elizabeth O'Donnell, Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602

RECEIVED

APR 28 2006

**PUBLIC SERVICE
COMMISSION**

Re: Joint Notice of Transfer Assets
Comtel Telcom Assets LP with VarTec Telecom, Inc., Excel
Telecommunications, Inc. and VarTec Solutions, Inc.

Dear Ms. O'Donnell:

Transmitted herewith on behalf of Comtel Telcom Assets LP ("Comtel") and VarTec Telecom, Inc., Excel Telecommunications, Inc. and VarTec Solutions, Inc. (together, the "VarTec Companies") (collectively, the "Parties") are five (5) copies of this notice regarding a transaction involving a transfer of assets, including customers. In support of this transaction, the Parties state as follows:

The Transaction

The VarTec Companies are operating under bankruptcy protection, and as the result of a Court-approved auction process and the execution of an asset purchase agreement, Comtel will ultimately acquire substantially all of the assets of the VarTec Companies, including all telecommunications equipment, customer accounts and records, business records, etc. Upon consummation of the transaction, Comtel will step into the shoes of the VarTec Companies. Comtel will then begin to provide both local exchange and interexchange services to the Kentucky customers acquired from the VarTec Companies.

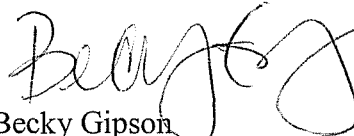
The Parties anticipate that the transaction will close and that residential and commercial customers will be transferred to Comtel on May 22, 2006 or as soon as practical thereafter. Comtel will operate under the trade names of the VarTec Companies (i.e., VarTec Telecom, Excel Telecommunications, VarTec Solutions and Clear Choice Communications) in order to promote a seamless transition for all involved customers. In addition, Comtel will maintain existing customer service contact numbers, websites, rates/terms, billing processes, etc. in place for the VarTec Companies to avoid customer confusion. Comtel will file tariffs in support its assumption of the VarTec Companies' operations promptly after the filing of this notice.

Customer Notice

The Parties jointly notified customers of the transfer in a direct-mail notice issued on March 17, 2006. The customer notice complies with applicable regulatory requirements and is attached hereto for the Commission's records.

The Parties sincerely appreciate the Commission's time and consideration in reviewing this notice. Acknowledgment and date of receipt of this filing is respectfully requested. Please date and file stamp the attached copy of this correspondence and return it in the enclosed pre-addressed, postage-prepaid envelope. Please direct any questions or correspondence regarding this filing to the undersigned directly at (972) 478-3309, the below-referenced address or bgipson@vartec.net.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Becky Gipson", with a long horizontal flourish extending to the right.

Becky Gipson
Director, Regulatory Affairs

Enclosures

cc: Jeffrey Marks, Jessica Hafer, Counsel for Comtel Telcom Assets LP

March 2006

**NOTICE OF CHANGES TO TERMS AND CONDITIONS OF
SERVICE AND TRANSFER OF SERVICE**

NO ACTION IS REQUIRED ON YOUR PART

The VarTec Companies are hereby providing you with notice of changes to certain sections of the terms and conditions for the services provided to your household and/or place of business. If you would like to review a copy of the complete Terms and Conditions document associated with your service(s), you may find this information on one of the applicable websites cited herein, or contact us at the applicable customer service toll-free number provided herein. The applicable notice provisions of the respective terms of use for various products and services provided by the VarTec Companies are hereby amended to reflect the following new address for how to give notice to us: Address: P.O. Box 650582, Dallas, TX 75265-0582. The Terms and Conditions associated with VarTec Telecom, Excel Telecommunications and VarTec Solutions are each further amended in the following respects: (a) removal throughout of the abbreviation “Inc.” associated with the word “VarTec Telecom” or “Excel Telecommunications” or “VarTec Solutions”, as applicable; (b) removal throughout of the reference to “Telephone Express”, where applicable; (c) change of the inspection location of the public reference document to the corporate headquarters location in Dallas, Dallas County, Texas; (d) change of address for providing notice of a dispute to P.O. Box 650582, Dallas, TX 75265-0582; (e) to implement all necessary format changes and other edits to give effect to the changes set forth in this notice letter; and (f) to add “Customers are responsible for notifying us of any change of address within 45 days of the new address, including zip code changes.” These changes will take effect on or after May 22, 2006.

Your local and/or long distance services are currently provided by one of the following companies in our family of telecommunications companies: VarTec Telecom, Inc., Excel Telecommunications, Inc., Clear Choice Communications, and VarTec Solutions, Inc. (a/k/a eMeritus Communications, Inc.) (collectively, the “VarTec Companies”). Soon, Comtel Telcom Assets LP and Comtel Virginia LLC¹ (together, “the Company”) will be acquiring the assets of the VarTec Companies, and after obtaining the necessary regulatory approvals, your services will be provided by the Company, which will continue to do business under the names of the various VarTec Companies. The purchase will occur on or after May 22, 2006 (the “effective date”). You will notice no differences on your bill. Your local telephone number will not change, and you will not incur any additional charges. The rates and terms and conditions for the phone services provided as of the effective date by the VarTec Companies will remain unchanged, except as provided for above.²

The Company is excited to continue to provide you with the same dependable, affordable communications services. On the effective date, the Company will automatically become your service provider for any services you currently receive from the VarTec Companies, unless you select another provider before April 21, 2006, and the Company will maintain all customer account information, including payments, deposits, or other customer details. There will be no service interruption to customers during this process. Customers remain responsible for charges incurred before and after the effective date. If, in the future, there are any changes to your rates or the terms and conditions of your

¹ Comtel Virginia LLC will serve customers of VarTec Telecom of Virginia, Inc. and Excel Telecommunications of Virginia, Inc. within Virginia only. All other customers will be served by Comtel Telcom Assets LP.

² Current rates, terms and conditions may be viewed by visiting the applicable VarTec Company website: www.vartec.com, www.excel.com, www.vartecsolutions.net or www.clearchoice.net.

service, you will be notified of those changes in accordance with the terms and conditions and any applicable state and federal requirements.³ Until the effective date, the VarTec Companies will continue to be responsible for addressing all billing and customer service issues. After the effective date, you should refer your questions to the Company at the same customer service number that you currently use for the VarTec Companies; this information is provided within for your convenient reference.⁴

Regarding your provider, customers always have the right to select another provider if they desire to do so and another provider is available, or customers may otherwise disconnect their services, subject to the terms of their contract(s) with the VarTec Companies, if any. Customers who wish to select an alternative provider need to contact that provider or their local telephone company and additional charges may apply. If customers select an alternative provider after April 21, 2006, the selection may not be processed until after the effective date. There will be no change to the provider of any service customers receive from a carrier other than the VarTec Companies as a result of the purchase. If customers have a preferred carrier "freeze" on any of the services being transferred, the freeze will be lifted before the transfer, if required. If lifted, in order to reinstate a preferred carrier freeze, customers must contact their local service provider after the effective date.

The Company will post any additional news and updates at www.vartec.com or you may call (800) 543-1768 with questions regarding this notice or other customer service questions.

It has been a pleasure to provide you with quality local and/or long distance services, and we emphasize that you will be treated as a valued customer of the Company.

Sincerely,

**VarTec Telecom, Inc. (d/b/a Clear Choice Communications)
Excel Telecommunications, Inc.
VarTec Solutions, Inc. (a/k/a eMeritus Communications, Inc.)
Comtel Virginia LLC, and
Comtel Telcom Assets LP**

3 Tennessee Customers: The Company will provide you with at least a 30-day written notice of any rate increase that may affect your service up to 90 days after the transfer date.

4 Customers in DC, HI and WV may contact the following agencies with additional questions regarding this purchase: District of Columbia: DC PSC, 1333 H Street, NW, Suite 200, West Tower, Washington, DC 20005, Tel. (202) 626-5100 or DC Office of the People's Counsel, 1133 15th Street N.W., Suite 500 Washington, D.C. 20005, Tel. (202) 727-3071. Hawaii: Hawaii PUC, 465 South King Street, Room 103 Honolulu, Hawaii 96813, Tel. (808) 586-2020. West Virginia: West Virginia PSC, 201 Brooks Street, Charleston, WV 25323, Tel. (304) 340-0300.