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Via E-Filing

November 20, 2015

Ms. Patty Van Gerpen
Executive Secretary
South Dakota Public Utilities Commission
State Capitol Building, 1st Floor
500 East Capitol Avenue
Pierre, South Dakota 57501

RE: Notification Regarding the Acquisition by X5 OpCo LLC of NovaTel Ltd., Inc.
Assets

Dear Ms. Van Gerpen:

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

I. Description of the Parties.

X5 OpCo LLC (Transferee) 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 owners and

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 service and does not service residential subscribers.

management teams to grow profitable businesses. X5 OpCo has contemporaneously submitted an *Application for a Certificate of Authority to Provide Interexchange Telecommunications Services Throughout the State of South Dakota* (“Application”). X5 OpCo acknowledges that it may not initiate the Transaction until the Company’s Application is granted.

NovaTel Ltd., Inc. (Transferor) 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 non-facilities-based switched and dedicated interexchange telecommunications services. NovaTel was granted authority to provide interexchange services in Docket No. TC08-087 in 2008.

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 South Dakota 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 South Dakota Certificate of Authority be cancelled at that time.

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(s) subscribers have been 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.

IV. Designated Contacts

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

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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

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V. Public Interest Considerations.

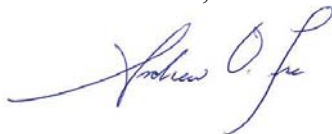
The proposed assignment of NovaTel's assets to X5 OpCo serves the public interest and will cause no offsetting public interest harms. The Transaction will provide additional capitalization needed to expand services and operations, and enhance the company's ability to provide competitive telecommunications services to the public. Further, broad management experience will enable X5 OpCo to explore new innovative service opportunities and provide added value to subscribers. The proposed assignment does not raise any competitive concerns. The only impact of the proposed transaction is that NovaTel's business will obtain access to increased resources that will result in a stronger, more capable and robust company, capable of pursuing additional opportunities.

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.

A handwritten signature in blue ink, appearing to read "Andrew O. Isar". The signature is fluid and cursive, with a long, sweeping underline that extends to the left.

Andrew O. Isar

Regulatory Consultants to
X5 OpCo LLC

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 15th 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.

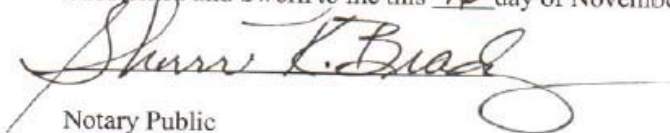
Dated this 16 day of November, 2015.

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 16 day of November, 2015.



Notary Public

My Commission Expires 5-24-2016

SEA



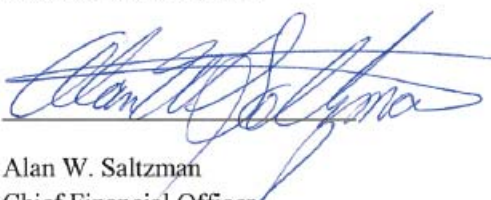
VERIFICATION

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 _____ 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 11th day of November, 2015.



Notary Public

My Commission Expires 8/18/18

SEAL

