

August 4, 2010

VIA EXPRESS DELIVERY

Ms. Patricia Van Gerpen, Executive Director
South Dakota Public Utilities Commission
Capitol Building, 1st Floor
500 E. Capitol Avenue
Pierre, SD 57501-5070

RECEIVED
AUG 06 2010
SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

Re: Voluntary Certification Withdrawal by Comtel Telcom Assets LP d/b/a Excel Telecommunications, VarTec Telecom, Clear Choice Communications and VarTec Solutions and Notice of Asset Sale Closing

Dear Ms. Van Gerpen:

Comtel Telcom Assets LP d/b/a Excel Telecommunications, VarTec Telecom, Clear Choice Communications and VarTec Solutions ("Comtel") hereby voluntarily withdraws its operating authorities to provide local exchange and interexchange telecommunications services within your state. By way of background for this request, Comtel entered into an asset purchase agreement ("APA") with Matrix Telecom, Inc. ("Matrix") to sell substantially all of its assets, including customers, to Matrix. The purchase and sale was ultimately consummated on July 31, 2010.

Following the consummation of the purchase and sale, Comtel no longer has an employee base, customers or other telecommunications operations in any jurisdiction. The existing customers and the associated operations were transferred to Matrix which has now stepped into Comtel's shoes to allow for a seamless transition as far as the end-user customers are concerned. All of the affected customers have been provided notice in compliance with the rules of this Commission and Federal Communications Commission, and where required, the parties have obtained the approvals of the Federal Communications Commission and State Commissions. Without impacting Matrix's operating authority, customers and/or ongoing operations, Comtel respectfully requests that your office take any steps necessary to immediately withdraw any remaining operating authority and tariffs/price lists on file for corporate entities of Comtel. As previously referenced, Matrix is now serving the customers acquired from Comtel.

Comtel sincerely appreciates your service and assistance over the years and now seek your prompt attention to this necessary request. Please direct any inquiries regarding the ongoing operations of Matrix to Leslie Ellis at leslie.ellis@excel.com or at (972) 910-1411. Acknowledgment and date of receipt of this filing are respectfully requested. Please date and file stamp the attached copy of this correspondence and return it in the enclosed pre-addressed, postage- prepaid envelope.

Respectfully submitted,



Jonathan Dennis
Senior Vice President, General Counsel, and
Secretary
Comtel Assets Inc., General Partner of
Comtel Telcom Assets LP

cc: Leslie Ellis
Manager, Regulatory Affairs

August 4, 2010

VIA OVERNIGHT DELIVERY

Attn: Competition Policy Division
Wireline Competition Bureau
Office of the Secretary
Federal Communications Commission
445 12th St., S.W. Room TW-A325
Washington, D.C. 20554

RECEIVED
AUG 06 2010
**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION**

Re: Application of Comtel Telcom Assets LP and Comtel Virginia LLC For Authority Pursuant to Section 214 of the Communications Act of 1934, as amended, and Section 63.71 of the Commission's Rules to Discontinue the Provision of Service

Dear Sir or Madam:

Comtel Telcom Assets LP and Comtel Virginia LLC ("Comtel") respectfully submits the enclosed application for authority pursuant to Section 214 of the Communications Act of 1934, as amended and Section 63.71 of the Commission's rules to discontinue the provision of service.

By way of background for this request, Comtel entered into an asset purchase agreement ("APA") with Matrix Telecom, Inc. ("Matrix") to sell substantially all of its assets, including customers, to Matrix. The purchase and sale was ultimately consummated on July 31, 2010. Following the consummation of the purchase and sale, Comtel no longer has an employee base, customers or other telecommunications operations in any jurisdiction. The existing customers and the associated operations were transferred to Matrix which has now stepped into Comtel's shoes to allow for a seamless transition as far as the end-user customers are concerned. All of the affected customers have been provided notice in compliance with the rules of the Federal Communications Commission, and where required, the parties have obtained the approvals of the Federal Communications Commission and State Commissions. As previously referenced, Matrix is now serving the customers acquired from Comtel.

Comtel sincerely appreciates your service and assistance over the years and now seek your prompt attention to this necessary request. Please direct any inquiries regarding the ongoing operations of Matrix to Leslie Ellis at leslie.ellis@excel.com or at (972) 910-1411. Acknowledgment and date of receipt of this filing are respectfully requested. Please date and file stamp the attached copy of this correspondence and return it in the enclosed pre-addressed, postage- prepaid envelope.

Respectfully submitted,



Leslie Ellis
Manager, Regulatory Affairs

Enclosure

cc: Secretary of Defense
Attn: Special Assistant for Telecommunications
Pentagon
Washington, D.C. 20301

State Public Utility Commissions

State Governors

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

_____)
In the Matter of the Applicant of)
)
Comtel Telecom Assets LP) WC Docket No. 10-_____
Comtel Virginia LLC)
)
For Grant of Authority Pursuant to)
Section 214 of the Communications Act of 1934,)
as amended, and Section 63.71 of the)
Commission’s Rules to Discontinue)
the Provision of Domestic and International)
Telecommunications Services)
_____)

SECTION 63.71 APPLICATION

Comtel Telecom Assets LP (“Comtel”), and Comtel Virginia LLC (“Comtel-VA” and collectively with Comtel, the “Applicants”), pursuant to Section 214 of the Communications Act, as amended, 47 U.S.C. § 214, and Section 63.71 of the Commission’s Rules, 47 C.F.R. §§63.71, respectfully request Commission approval to discontinue its provision of domestic and international telecommunications services (the “Discontinuance”). The Discontinuance will occur related to a transaction with Matrix Telecom, Inc. (“Matrix” and together with Comtel, the “Parties”) whereby all of Comtel’s and Comtel-VA’s customers were transferred to Matrix on July 31, 2010 (the “Transaction”).¹

In support of this Application, Applicants provide the following information:

¹ Joint Application of Matrix Telecom, Inc., Matrix Telecom of Virginia, Inc. and Comtel Telecom Assets LP, Comtel Virginia LLC, WC Docket No. 10-82 (filed Mar. 22, 2010) (Application); *Domestic Section 214 Application Filed for the Acquisition of Assets of Comtel Telecom Assets L.P. and Comtel Virginia LLC by Matrix Telecom, Inc. and Matrix Telecom of Virginia, Inc. WC Docket No. 10-82 Public Notice, DA 10-864 (rel. May 14, 2010)*

I. DESCRIPTION OF THE PARTIES

A. Comtel Telcom Assets LP and Comtel Virginia LLC

Comtel is a limited partnership organized under the laws of the State of Texas, and Comtel-VA is a limited liability company organized in the Commonwealth of Virginia. The principal office for both Applicants is located at 433 Las Colinas Blvd. E., Suite 1300, Irving, TX 75039. Comtel-VA is a wholly owned subsidiary of Comtel. Comtel is majority owned by Comtel Assets Corp., which in turn is wholly owned by Denham Commodity Partners Fund III LP, a private equity fund.

Comtel completed the acquisition of substantially all of the assets of VarTec Telecom, Inc. and certain of its subsidiaries in June 2006 and continued to operate those assets through closing of the transaction with Matrix. Comtel provided intrastate, interstate and international long distance throughout the United States, and Comtel-VA provided, either directly or indirectly through Comtel, intrastate, inter state and international long distance services in Virginia. Comtel was authorized to provide local exchange and exchange access services in every state except Alaska, Hawaii and Virginia. Comtel-Va was authorized to provide local exchange and exchange access services in Virginia.

B. Matrix Telecom, Inc. and Matrix Telecom of Virginia, Inc.

Matrix is a corporation organized under the laws of the State of Texas, and Matrix- VA, a wholly owned subsidiary of Matrix, is a corporation organized in the Commonwealth of Virginia. The principal office for both Matrix and Matrix-VA is located at 7171 Forest Lane, Suite 700, Dallas, Texas 75230. Established in 1991, Matrix is a competitive provider of integrated communications services including local, 1+ long distance and toll-free services plus a

wide range of data services, such as dedicated Internet access, frame relay and point-to point transmission services, chiefly to enterprise customers. Matrix provides intrastate, interstate and international services throughout the United States, and Matrix-VA provides, either directly or indirectly through Matrix, intrastate, interstate and international long distance services in Virginia. Matrix is authorized to provide facilities-based and/or resold interexchange telecommunications service in all fifty states. Matrix is also authorized to provide competitive local exchange telecommunications services in the District of Columbia and all states except Alaska and Virginia. Matrix-VA is authorized to provide competitive local exchange and interexchange telecommunications services in Virginia.

II. DESCRIPTION OF THE DISCONTINUANCE

By way of background for this request, Comtel entered into an asset purchase agreement (“APA”) with Matrix to sell substantially all of its assets, including customers, to Matrix. The purchase and sale was ultimately consummated on July 31, 2010.

Following the consummation of the purchase and sale, Comtel no longer has an employee base, customers or other telecommunications operations in any jurisdiction. The existing customers and the associated operations were transferred to Matrix which has now stepped into Comtel’s shoes to allow for a seamless transition as far as the end-user customers are concerned. All of the affected customers have been provided notice in compliance with the rules of the State Commission’s and Federal Communications Commission, and where required, the parties have obtained the approvals of the Federal Communications Commission and State Commissions. Without impacting Matrix’s operating authority, customers and/or ongoing operations, as previously referenced, Matrix is now serving the customers acquired from Comtel.

III. INFORMATION REQUIRED BY SECTION 63.71

Pursuant to Section 63.71 of the Commission's Rules, the Applicants submit the following information requested in Section 63.71 (a) and (b) in support of this Application:

(a) Name, address and telephone number of carriers:

| | |
|--------------------------|------------------------|
| Comtel Telcom Assets LP | FRN: 0013838701 |
| Comtel Virginia LLC | FRN: 0013840350 |
| 433 Las Colinas Blvd. E. | |
| Suite 1300 | |
| Irving, TX 75039 | |
| (972) 910-1900 | |

(b) Date of planned service discontinuance

The Transaction was consummated on July 31, 2010.

(c) Points of geographic areas of service affected:

The Applicants no longer have an employee base, customers or other telecommunications operations in any jurisdiction.

(d) Brief description of type of service affected:

The Applicants no longer have an employee base, customers or other telecommunications operations in any jurisdiction.

(e) Brief description of the dates and methods of notice to all affected customers:

The Applicants no longer have any customers and therefore, there are no customers to notify regarding this proposed discontinuance.

(f) Whether carrier is considered dominant or non-dominant:

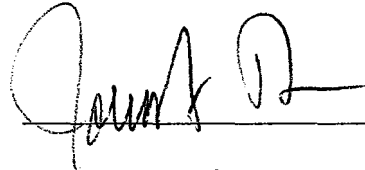
Applicants qualify for a presumption of non-dominance under Section 63.10(a)(1) and (3) of the Commission's rules, 47 C.F.R. § 63.10(a) (1,3), because they are not foreign carriers.

IV. CONCLUSION

The public interest and necessity do not require the continued provision of intrastate resold interexchange services by the Applicants. Matrix has assumed all service obligations to the Applicant's subscribers as of July 31, 2010. Comtel is no longer providing service to any customers. Therefore, no customers will be affected by Comtel's exit from the intrastate interexchange markets.

Accordingly, Comtel respectfully requests that the Commission approves this Application for the discontinuance of intrastate resold interexchange service by Comtel within a reasonable period.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Jonathan Dennis', is written over a horizontal line.

Jonathan Dennis
Senior Vice President
General Counsel and Secretary of
Comtel Assets Inc., G.P. of
Comtel Telecom Assets LP
433 E. Las Colinas Boulevard
Suite 700
Irving, Texas 75039
Fax: 866-418-9749
jdennis@comtellp.com

Dated: August 4, 2010