

**PAC-WEST SUPPLEMENTAL RESPONSE TO
QWEST'S FIRST SET OF DATA REQUESTS**

Supplemental Response Date: June 29, 2012
Docket No.: UT-053036
Requestor: Respondent's
Respondent: Pac-West
Prepared by: Arthur A. Butler and Stephen J. Kennedy;
Sam Shiffman and Jen Olson (Supplemental Response)

RESPONDENT'S DATA REQUEST NO. 4: If Pac-West has not funded the escrow, please state all reasons why Pac-West has not done so, or does not believe it is required to do so in light of the Commission's final orders in this docket and Docket No. UT-063038.

PAC-WEST RESPONSE TO RESPONDENT'S DATA REQUEST NO. 4:

Pac-West objects to this request because it seeks information that is neither relevant to the subject matter of this litigation nor reasonably calculated to lead to the discovery of admissible evidence.

PAC-WEST SUPPLEMENTAL RESPONSE TO RESPONDENT'S DATA REQUEST NO. 4:

Subject to and without waiving the above objection, Pac-West states the following:

Pac-West complied with the Adequate Assurance Agreement ("AAA") Section IV by reserving \$3,000,000 from Pac-West's revolving line of credit. One of the methods the AAA reduced the reserves to \$0 was after 3 years from the Effective Date of the Plan, which concluded in 2010. Confirmation of this compliance can be found in the 3rd party Audited Financials - Delivered April 29, 2008, for Pac West Telecomm, Inc. (the Company), as of November 30, 2007. While the Financials are confidential and can not be released in their entirety, they clearly confirm Pac-West's compliance.

"During the Company's bankruptcy proceeding, the Company entered into a stipulation agreement with Qwest Corporation which, among other items, established a reserve for petitions filed in the states of Washington and Arizona for \$2,000,000 and \$1,000,000, respectively. In the event that the PUCs find in favor of Qwest, the Company will release the amounts above to Qwest. Pursuant to the stipulation agreement, the borrowing ability under the Company's revolving line of credit has been reduced by \$3,000,000 until such time as these disputes are resolved."

Pac-West does not believe that it is required to fund the escrow because the "Reserve" has expired and the Washington Commission elected not to enforce Orders 12 and 13.

SS-3X