

**Alpheus Communications, LLC (f/k/a Alpheus Communications, L.P.  
and Alpheus Data Services, L.L.C.  
CPNI Annual Compliance Statement  
2014**

Alpheus Communications, LLC (f/k/a Alpheus Communications, L. P.<sup>1</sup> (“Alpheus”) is a competitive telecommunications carrier providing high capacity telecommunications services on a wholesale basis to other carriers and on a limited basis to a small number of retail enterprise customers in Texas. These services include various forms of transport services, managed bandwidth, private line services, and Ethernet; essentially dedicated high capacity special access transport services. Alpheus offers no switched services and therefore has no access to call detail information of its customers.

Alpheus Data Services, LLC (“ADS”) is a wholly owned subsidiary of Alpheus providing internet access and a range of data services such as disaster recovery, and managed data centers to enterprise customers, ISPs and carriers. In some limited instances ADS provides private line data transmission to its customers.<sup>2</sup> ADS also provides both PRI and SIP trunking for PBXs and hosted PBX services for its customers.

Alpheus Communications, LLC. and Alpheus Data Services, LLC (collectively “the Company”) implemented the safeguards identified below to ensure that their operating procedures are in compliance with the Commission’s CPNI rules.

Alpheus and ADS maintain separate and distinct small sales forces. There is no CPNI shared between the parent, Alpheus and affiliate’s ADS separate sales departments.

All of the Company’s customer account records clearly display the status of the customer’s CPNI approval which allows employees authorized to view customer account records to ascertain the status of the customer’s CPNI approval.

All Company employees with access to customer records and customer contact, including sales personnel have completed annual CPNI training explaining the Commission’s rules regarding when CPNI may be used and when use is prohibited, as well as the Company’s internal policies regarding use of CPNI. Newly hired employees receive CPNI training as part of the new hire training package and sign the certification that they understand the restrictions on the use of CPNI at the onset of employment. All employees are required to abide by the Company’s employee Handbook which requires employees to maintain the confidentiality of all information, including confidential customer information which is obtained as a result of their employment by the Company,

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<sup>1</sup> On January 12, 2012, the Commission granted Alpheus’ request to change the name on its International Section 214 Authorization from Alpheus Communications, L. P. to Alpheus Communications, LLC, Public Notice, *International Authorizations Granted*, DA No. 12-43 (Jan. 12, 2012)..

<sup>2</sup> On January 18, 2012 ADS obtained certification from the Texas PUC as a competitive local exchange carrier and intends to provide voice services to enterprise customers beginning at some point in 2012. *See Application of Alpheus Data Services, LLC for a Service Provider Certificate of Authority*, Docket 39945, Notice of Approval (Tex. PUC Jan. 20, 2012).

and encompasses the Company's policies for protecting CPNI. Employees who violate the Company's employee handbook, including the CPNI policy will be subject to an express disciplinary process, including possible termination. Alpheus conducts this training annually.

The Company has not, does not and does not intend to utilize CPNI for any formal sales or marketing campaigns and this is stated expressly in the Company's CPNI policy. However, in the event that any sales or marketing campaign is planned in the future, safeguards have been put into place and detailed in the Company's CPNI policy. Pursuant to this policy, marketing personnel must obtain approval from the Senior Vice President Regulatory of Alpheus before any marketing campaign is instituted or before initiating any outbound marketing request for customer approval regarding use of, disclosure of or access to CPNI. In the event that the Company approves a marketing campaign, the Senior Vice President Regulatory is responsible for maintaining all records and verification regarding the use of CPNI during any such campaign. To the extent CPNI is used, or third parties are provided access to CPNI, the Company's policy requires that Alpheus' Senior Vice President Regulatory maintains a record of all instances in which CPNI is disclosed or provided to third parties or where third parties are permitted to access CPNI. At the current time, however, such disclosure of CPNI or third party access to CPNI is expressly precluded by the Company CPNI policy. Such records are also required to describe the campaign, identify the products and services that are the subject of the campaign and maintain those records for at least one year.

The Company's marketing is primarily conducted by means of direct contact between the customer and Alpheus or ADS' sales personnel assigned to each customer account. In limited instances, Alpheus' customers elect to employ "channel partners" as the customer agent for interfacing with Alpheus' sales team. In such a circumstance Alpheus requires written authorization from the Customer confirming the channel partner's authority to act on the customer's behalf. Alpheus captures the agent's authority or lack of authority in its account management systems. In addition, the Customer must provide an opt-in authorization before Alpheus will share CPNI with the authorized channel partner. Any marketing by the Company to its customers is typically accomplished through face to face meetings or with direct contact between the customer and their assigned Alpheus or ADS sales personnel. Alpheus and ADS each maintain separate sales forces that engage in relationship marketing. In addition, each customer has an assigned account manager to help with any provisioning or billing issues that arise and to handle account inquiries. The Company does not provide customers with on-line access to information regarding the technical configuration, types, destination, location, or amount of use of telecommunications services or provide online billing or account access. Further, the Company has no retail sales locations.

The Company has confidentiality clauses in its Master Services Agreements with its customers regarding protection of the customer's proprietary network information against unauthorized use and or disclosure. In addition, and as a further safeguard, the Company annually sends CPNI opt-in/out notices to its customers.

The Company's CPNI policy also requires written notification to the Commission in the event the Company identifies any instance where the opt-out mechanisms do not work properly. Such notice shall be in the form of a letter, from the Senior Vice President Regulatory, describing the opt out mechanism, the problem with the opt out notice, plans for remedying the problem and what notice and actions the company has taken to remedy the problem.

The Company does not share, sell, lease or otherwise provide CPNI to or between any of its affiliates, suppliers, vendors or any other third parties for any reason. Sharing, selling, leasing or otherwise providing CPNI to any third parties is strictly prohibited by the Company as set forth in the Company's policies and the Company has no plans to ever share this information with third parties.

As permitted by the CPNI rules, the Company uses CPNI (1) to bill and collect for services rendered; (2) to protect rights or property of the Company, other users or other carriers from unlawful use; (3) to provide any inbound telemarketing or administrative services for the duration of a call; (4) for the purpose of providing carrier premises equipment ("CPE") and protocol conversion; and (5) in order to provision inside wiring, maintenance and repair services.

The Company also uses CPNI, as permitted under the rules, in the context of marketing its services among the categories of service that the Company already provides to the customer. The vast majority of the Company's marketing occurs within the category of services where the customer is already a subscriber.

Finally, the Company's CPNI policy requires notification to law enforcement of a breach of its customers' CPNI. The policy, consistent with the Commission's rules, requires notification to law enforcement no later than seven business days after determination that a breach has occurred and prohibits notification of the customer or other disclosure of the breach for seven business days after notification to law enforcement, consistent with the Commission's CPNI rules. The policy further requires that all law enforcement and customer notification pursuant to this provision in the Company's policy shall be handled by the Senior Vice President Regulatory who shall also maintain a record of such notification for at least two years. The records, shall, at a minimum include the dates of discovery and notice to law enforcement and the customer, a description of the breach and circumstances of the breach.