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OPEN MEETING ITEM

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MEMORANDUM

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AZ CORP COMMISSION  
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TO: THE COMMISSION

FROM: Utilities Division

DATE: April 29, 2003

RE: IN THE MATTER OF PROPOSED AMENDMENTS TO ARTICLE 11.  
COMPETITIVE TELECOMMUNICATIONS SERVICES, R14-2-1107,  
APPLICATION TO DISCONTINUE OR ABANDON LOCAL EXCHANGE  
SERVICE AREA (DOCKET NO. RT-00000J-03-0218)

As directed by the Commission at the April 1, 2003 Open Meeting, Staff of the Utilities Division ("Staff") of the Arizona Corporation Commission ("Commission") proposes to amend Arizona Administrative Code Rule 14-2-1107.

Staff proposes amending A.A.C. R14-2-1107 which governs the abandonment of service by local exchange service providers. The proposed amendments would hold interexchange service providers abandoning their service area to the same requirements as local exchange service providers abandoning their service area. Staff's proposed amendment is illustrated in the attached Exhibit A.

Staff believes that the proposed amendments will be beneficial to the general public by requiring resellers of interexchange services to provide notice and a list of alternate providers before abandonment. Staff believes appropriate notice requirements are in the best interest of the public.

Staff further recommends that the Hearing Division issue a procedural order directing staff to submit the proposed amendments to the Secretary of State and to schedule a date for public comment and hearing on the proposed amendment to the Rules no earlier than 30 days after publication in the *Arizona Administrative Register*.

Ernest G. Johnson  
Director  
Utilities Division

EGJ:AJL:lm\GH

Arizona Corporation Commission

DOCKETED

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## EXHIBIT A

### ARTICLE 11. COMPETITIVE TELECOMMUNICATIONS SERVICES

#### R14-2-1107. Application to Discontinue or Abandon Local Exchange Service Area

- A. Any telecommunications company providing competitive local exchange or interexchange service on a resold or facilities-based basis that intends to discontinue service or to abandon all or a portion of its service area shall file an application for authorization with the Commission setting forth the following:
1. Any reasons for the proposed discontinuance of service or abandonment of service area;
  2. Verification that all affected customers have been notified of the proposed discontinuance or abandonment, and that all affected customers will have access to an alternative local exchange service provider;
  3. Where applicable, a plan for the refund of deposits collected pursuant to subsection R14-2-503(B);
  4. A list of all alternative utilities providing the same or similar service within the affected geographic area.
- B. When the Application is submitted to the Docket Control Center, it will not be filed until it is found to be in proper form. No later than 20 days after the Application is filed, the telecommunications company shall publish legal notice of the Application in all counties affected by the Application. The legal notice shall describe with particularity the substance of the Application. Interested persons shall have 30 days from the publication of legal notice to file objections to the Application, to request a hearing, and to submit a motion to intervene in the proceeding.
- C. Once proper notice is effected and if no objection is filed, the Commission may grant the application without a hearing.

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BEFORE THE ARIZONA CORPORATION COMMISSION

MARC SPITZER  
Chairman  
JIM IRVIN  
Commissioner  
WILLIAM A. MUNDELL  
Commissioner  
JEFF HATCH-MILLER  
Commissioner  
MIKE GLEASON  
Commissioner

IN THE MATTER OF PROPOSED AMENDMENTS  
TO ARTICLE 11, COMPETITIVE  
TELECOMMUNICATIONS SERVICES, R14-2-  
1107, APPLICATION TO DISCONTINUE OR  
ABANDON LOCAL EXCHANGE SERVICE AREA

Docket No. RT-00000J-03-0218

Decision No. \_\_\_\_\_

ORDER

Open Meeting  
May 13 and 14, 2003  
Phoenix, Arizona

BY THE COMMISSION:

FINDINGS OF FACT

1. As directed by the Commission at the April 1, 2003 Open Meeting, Staff of the Utilities Division ("Staff") of the Arizona Corporation Commission ("Commission") proposes to amend Arizona Administrative Code Rule 14-2-1107.

2. Staff proposes amending A.A.C. R14-2-1107 which governs the abandonment of service by local exchange service providers. The proposed amendments would hold interexchange service providers abandoning their service area to the same requirements as local exchange service providers abandoning their service area. (See Exhibit A).

3. Staff believes that the proposed amendments will be beneficial to the general public by requiring resellers of interexchange services to provide notice and a list of alternate providers before abandonment. Staff believes appropriate notice requirements are in the best interest of the public.

4. Staff further recommends that the Hearing Division issue a procedural order directing staff to submit the proposed amendments to the Secretary of State and to schedule a date for public

1 comment hearing on the proposed amendment to the Rules to be held in Phoenix or Tucson, Arizona  
2 no earlier than 30 days after publication in the *Arizona Administrative Register*.

3 CONCLUSIONS OF LAW

4 1. Pursuant to Article XV of the Arizona Constitution and A.R.S. Title 40 generally, the  
5 Commission has authority in this matter.

6 2. It is in the public interest to issue a Procedural Order in this matter, as requested by  
7 Staff.

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ORDER

THEREFORE, IT IS ORDERED that the Hearing Division issue a Procedural Order scheduling a public comment hearing.

**BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION**

CHAIRMAN

COMMISSIONER

COMMISSIONER

COMMISSIONER

COMMISSIONER

IN WITNESS WHEREOF, I BRIAN C. McNEIL, Executive Secretary of the Arizona Corporation Commission, have hereunto, set my hand and caused the official seal of this Commission to be affixed at the Capitol, in the City of Phoenix, this \_\_\_\_\_ day of \_\_\_\_\_, 2003.

\_\_\_\_\_  
BRIAN C. McNEIL  
Executive Secretary

DISSENT: \_\_\_\_\_

DISSENT: \_\_\_\_\_

EGJ:AJL:lm

1 The original and thirteen (13) copies of the foregoing  
 2 were filed this 1<sup>st</sup> day of May, 2003 with:

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