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MEMORANDUM

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2004 APR 30 A 11: 53

TO: Docket Control  
FROM: Ernest G. Johnson  
Director  
Utilities Division

AZ CORP COMMISSION  
DOCUMENT CONTROL

THRU: Matthew Rowell  
Chief, Telecommunications & Energy Section  
Utilities Division

DATE: April 30, 2003

RE: IN THE MATTER OF THE APPLICATION OF RCN TELECOM SERVICES, INC. REQUESTING CANCELLATION OF ITS CERTIFICATE OF CONVENIENCE & NECESSITY TO PROVIDE COMPETITIVE RESOLD INTEREXCHANGE AND FACILITIES-BASED LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES IN ARIZONA. (DOCKET NO. T-03569A-04-0293)

Attached is the Staff Report of the application of RCN Telecom Services, Inc. for cancellation of its Certificate of Convenience and Necessity ("CC&N"). Staff recommends cancellation of the CC&N.

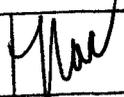
Originator: Adam Lebrecht

Attachment: Original and Sixteen Copies

Arizona Corporation Commission

DOCKETED

APR 30 2004

DOCKETED BY 

STAFF REPORT  
UTILITIES DIVISION  
ARIZONA CORPORATION COMMISSION

RCN TELECOM SERVICES, INC.  
DOCKET NO. T-03569A-04-0293

IN THE MATTER OF THE APPLICATION OF RCN TELECOM SERVICES, INC. FOR  
CANCELLATION OF ITS CERTIFICATE OF CONVENIENCE AND NECESSITY TO  
PROVIDE COMPETITIVE TELECOMMUNICATIONS SERVICES IN ARIZONA

## STAFF ACKNOWLEDGEMENT

The Staff Report for RCN Telecom Services, Inc., Docket No T-03569A-04-0293, was the responsibility of the staff member listed below. Adam Lebrecht was responsible for the review and analysis of the Company's application to cancel its Certificate of Convenience and Necessity.

A handwritten signature in black ink, appearing to be 'AL', written over a horizontal line.

ADAM LEBRECHT  
Executive Consultant I

## **Background**

On April 28, 2000, the Commission, in Decision No. 62492, originally granted a CC&N to RCN Telecom Service, Inc. ("RCN") to provide competitive intrastate telecommunications service in Arizona as a competitive local exchange carrier, local exchange reseller, long distance reseller and facilities-based long distance service provider.

RCN requests Commission approval to discontinue its authority to provide competitive intrastate telecommunications service in Arizona as a competitive local exchange carrier, local exchange reseller, long distance reseller and facilities-based long distance service provider, abandon its CC&N and revoke its tariff in Arizona.

## **Staff Analysis**

RCN filed its application to cancel its CC&N on April 16, 2004. RCN has never provided local exchange service and is currently providing long distance telecommunications services in Arizona to one customer. Because RCN has never provided local exchange service and has no local exchange customers, the rules related to the discontinuance of local service described in R14-2-1107 of the Arizona Administrative Code ("AAC") are not applicable.

RCN has provided Staff with a copy of the written notification sent to its one long distance customer. While the ACC currently does not have rules concerning the customer notification procedures a provider of long distance service must follow, Staff feels the customer notification sent is informative, allows the customer an adequate timeframe to acquire a different long distance provider and is consistent with the requirements of R14-2-1107.

Consumer Services Staff has indicated that there are no open complaints, inquiries or opinions concerning RCN. RCN has informed Staff that customer deposits and/or prepayments have never been collected. Consequently, there is no risk that an advance, deposit and/or prepayment of funds from RCN's long distance customer would be lost by canceling RCN's CC&N.

Since there are numerous other carriers offering similar services, Staff believes granting this application for cancellation of RCN's CC&N is in the public interest.

Upon cancellation of its CC&N, RCN will no longer be authorized to provide competitive intrastate telecommunications service as a competitive local exchange carrier, local exchange reseller, long distance reseller or facilities-based long distance service provider and will no longer be subject to the requirements of Decision No. 62492.

## **Recommendations**

Staff recommends the cancellation of RCN's CC&N.

SERVICE LIST FOR: RCN TELECOM SERVICES, INC.

DOCKET NO. T-03569a-04-0293

Ms. Trudy M. Longnecker  
RCN Telecom Services, Inc.  
105 Carnegie Center  
Princeton, New Jersey 08540-6215

Mr. Ernest G. Johnson  
Arizona Corporation Commission  
Utilities Division  
1200 West Washington  
Phoenix, Arizona 85007

Mr. Christopher C. Kempley  
Arizona Corporation Commission  
Legal Division  
1200 West Washington  
Phoenix, Arizona 85007

Ms. Lyn Farmer  
Chief Administrative Law Judge  
Arizona Corporation Commission  
Hearing Division  
1200 West Washington  
Phoenix, Arizona 85007

# NEW APPLICATION

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April 15, 2004

2004 APR 16 A 10:45

105 Carnegie Center  
Princeton, NJ 08540-6215

Docket Control Center  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, Arizona 85007

AZ CORP COMMISSION  
DOCUMENT CONTROL

4/23/00 62492

T-03569A-04-0293

RE: RCN Telecom Services, Inc.  
Request for Cancellation of Certificate(s) of Public Convenience and Necessity "CPCN"  
and Tariffs

Dear Sir or Madam:

Due to the significant changes in the telecommunications marketplace, RCN made a change in the company's overall strategy to focus activities in its facility-based areas. As a part of our continuing effort to make the Company's network more efficient, RCN has made a business decision not to begin providing Competitive Local Exchange Services, and to discontinue providing Interexchange Long Distance services in the state of Arizona.

RCN currently has no Local Exchange customers and 1 Interexchange Long Distance customer in Arizona. In compliance with all requirements under applicable law, RCN is providing the customer with 60 days notice to secure service from another provider. Attached is a copy of the notification that the customer will be receiving. Thirty days prior to discontinuance, RCN will send a reminder letter if the customer has not yet changed to a new service provider.

RCN respectfully submits an original and 13 copies of this letter to request cancellation of its Competitive Local Exchange Carrier, Reseller of Local Exchange Service, Reseller of Long Distance and Interexchange CPCNs (Docket Nos. Docket No. T-03569A-98-0297, Decision No. 62492) and cancellation of the current tariffs on file. We are further requesting that the cancellation to be given an effective date of June 1, 2004.

Acknowledgment and date of receipt of this letter is requested. Kindly return the duplicate copy of the letter in the enclosed, self-addressed stamped envelope.

If you require further information or have any questions, please contact me at (609) 734-4533.

Thank you,

A handwritten signature in cursive script, appearing to read "Trudy M. Longnecker".

Trudy M. Longnecker  
Tariff and Compliance Manager

Attachments

April 1, 2004

<<CONTACT NAME>>  
<<COMPANY NAME>>  
<<BILLING ADDRESS>>  
<<CITY>>, <<STATE>> <<ZIP CODE>>

**RE: Account <<PHONE NUMBERS>>**

Dear RCN Customer:

Due to changes in the telecommunications marketplace, RCN Corporation has made the business decision to no longer be a provider of telephony Long Distance service in the State of <<STATE>>. This decision is part of an overall strategy to refocus our commercial business activities around our network.

Consequently, RCN will no longer be able to provide service on your business number or numbers in the above state effective June 1, 2004. In order to ensure you do not experience any interruption of service, please arrange for a new Long Distance carrier to handle this number/numbers. We will continue to provide service for the other numbers on your account that are in our network area.

We consider it a privilege to be your Long Distance service provider, and we are sorry for any inconvenience this may cause your business.

If you have any questions regarding this matter, please call 1-877-726-7000.

Sincerely,

RCN Business

MEMORANDUM

TO: Adam Lebrecht  
Executive Consultant I  
Utilities Division

FROM: John La Porta   
Public Utilities Consumer Analyst I  
Utilities Division

DATE: April 20, 2004

RE: RCN Telecom Services Inc.  
(Docket No. T-03569A-04-0293)

Above company has filed an application on April 16, 2004, with the Arizona Corporation Commission (Commission) for the Sale of Assets and the Cancellation of their Certificate of Convenience and Necessity.

The Consumer Services Section contacted Mr. Kelly of the Corporations Section of the Commission and he reports that RCN Telecom Services Inc. to be in good standing.

After researching Consumer Services database the past three years, I was unable to find any complaints, inquiries or opinions regarding this company.

**From:** <Trudy.Longnecker@rcn.net>  
**To:** <alebrecht@cc.state.az.us>  
**Date:** 4/21/2004 12:49:27 PM  
**Subject:** RCN Telecom Services, Inc. - CPCN Cancellation Request

Adam,

Per our conversation, this is to confirm that RCN Telecom Services, Inc. did not collect a deposit or advance payment from its Long Distance customer in Arizona and therefore has no refund to make .

If you have any questions or require further information please feel free to contact me.

Thank you,

Trudy M. Longnecker  
Tariff and Compliance Manager  
RCN Regulatory  
(609) 734-4533

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