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BEFORE THE ARIZONA CORPORATION COMMISSION  
DOCKETED

1  
2 CARL J. KUNASEK  
CHAIRMAN  
3 JIM IRVIN  
COMMISSIONER  
4 WILLIAM A. MUNDELL  
COMMISSIONER  
5

JUN 09 2000

DOCKETED BY RT

6 IN THE MATTER OF THE APPLICATION OF  
MVX.COM COMMUNICATIONS, INC. FOR A  
7 CERTIFICATE OF CONVENIENCE AND  
NECESSITY TO PROVIDE COMPETITIVE  
8 LOCAL EXCHANGE RESOLD  
TELECOMMUNICATIONS SERVICES.

DOCKET NO. T-03793A-99-0590

DECISION NO. 62640

**ORDER**

9 Open Meeting  
10 June 6 and 7, 2000  
Phoenix, Arizona

11 **BY THE COMMISSION:**

12 Having considered the entire record herein and being fully advised in the premises, the  
13 Arizona Corporation Commission ("Commission") finds, concludes and orders that:

14 **FINDINGS OF FACT**

15 1. On October 19, 1999, MVX.COM Communications ("MVX" or "Applicant") filed  
16 with Docket Control of the Commission an application for a Certificate of Convenience and  
17 Necessity ("Certificate") to provide competitive local exchange services as a reseller and a petition to  
18 have the services classified as competitive.

19 2. In Decision No. 58926 (December 22, 1994), the Commission found that resold  
20 telecommunications providers ("resellers") were public service corporations subject to the  
21 jurisdiction of the Commission.

22 3. Applicant is a California corporation that has been qualified to conduct business in  
23 Arizona since 1999.

24 4. Applicant has an interconnection agreement with U S WEST Communications, Inc.  
25 ("U S WEST"), that was approved in Decision No. 62138 (December 14, 1999).

26 5. The Commission's Utilities Division Staff ("Staff") filed a Staff Report on March 9,  
27 2000.  
28

1           6.     Staff's Report states that Applicant filed a tariff with its application that fulfills  
2 Commission requirements.

3           7.     Staff's Report states that Applicant provided financial statements for the six-months  
4 ended June 30, 1999. These financial statements indicate that the Applicant had total assets of \$2.36  
5 million and stockholders' equity totaling \$145,810. In addition, the Applicant had a net income of  
6 \$145,810 on revenues of \$1.40 million.

7           8.     Staff indicated that Applicant lacks adequate financial resources and any deposits,  
8 prepayments and advances received from the Applicant's customers should be protected.

9           9.     Staff recommended that:

10           (a)    Applicant procure a performance bond and/or escrow account equal to an  
11 amount sufficient to cover sixty days of revenue from its customers and any  
12 prepayments or deposits collected from the Applicant's customers;

13           (b)    the amount of the performance bond must be increased if at any time it would  
14 be insufficient to cover sixty days service to its customers;

15           (c)    if Applicant desires to discontinue service, it must file an application with the  
16 Commission pursuant to A.A.C R14-2-1107;

17           (d)    Applicant must notify each of its customers and the Commission thirty days  
18 prior to filing an application to discontinue service pursuant to A.A.C. R14-2-1107;

19           (e)    failure to meet requirement (d) will result in forfeiture of the Applicant's  
20 performance bond;

21           (f)    if, after one year, the Applicant desires to discontinue the performance bond  
22 and/or escrow account, it must file information with Staff that demonstrates the  
23 applicant's financial viability; and

24           (g)    Staff will review the information submitted by Applicant and provide its  
25 decision concerning financial viability within thirty days of receipt of the information.

26           10.    Staff recommended that proof of the performance bond should be docketed within  
27 thirty days prior to Applicant's initial offering of service.

28           11.    Staff further recommended that:

(a)    Applicant's application for a Certificate should be approved subject to A.A.  
R14-2-1106.B;

1 (b) Applicant's local exchange service offering should be classified as competitive  
2 pursuant to A.A.C. R14-2-1108;

3 (c) Applicant's competitive services should be priced at the effective rates set  
4 forth in Applicant's tariffs, and the maximum rates for these services should be the  
5 maximum rates proposed by Applicant in its tariffs. The minimum rates for  
6 Applicant's competitive services should be Applicant's long run incremental costs of  
7 providing those services set forth in A.A.C. R14-2-1109;

8 (d) in the event that Applicant states only one rate in its tariff for a competitive  
9 service, the rate stated should be the effective (actual) price to be charged for the  
10 service as well as the service's maximum rate; and

11 (e) Applicant should be required to comply with the Commission's Rules and  
12 modify its tariffs to conform with these Rules, if it is determined that there is a conflict  
13 between the applicant's tariffs and the Commission's Rules.

14 12. Staff recommended that Applicant should file its tariffs within thirty days of an Order  
15 in this matter, and in accordance with the Decision.

16 13. Applicant has published notice of its application in newspapers in all counties where  
17 service is to be provided pursuant to A.R.S. Sections 40-281 and 40-282 and affidavits of publication  
18 were filed with the Commission on May 16, 2000.

19 14. No exceptions were filed to the Staff Report, nor did any party request that a hearing  
20 be set.

21 **CONCLUSIONS OF LAW**

22 1. Applicant is a public service corporation within the meaning of Article XV of the  
23 Arizona Constitution and A.R.S. §§ 40-281 and 40-282.

24 2. The Commission has jurisdiction over Applicant and the subject matter of the  
25 application.

26 3. Notice of the application was given in accordance with the law.

27 4. With the conditions contained herein, Applicant's receipt of a Certificate to provide  
28 competitive resold local exchange telecommunications services statewide is in the public interest, and  
Applicant is a fit and proper entity to receive a Certificate.

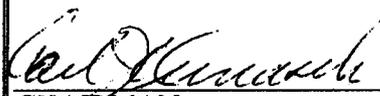
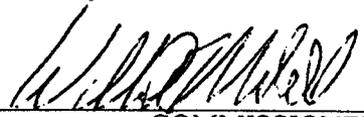
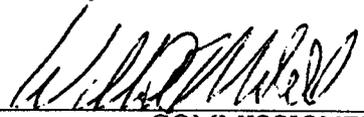


1 IT IS FURTHER ORDERED that, as may be applicable with resold local exchange service  
2 providers, MVX.COM Communications, Inc. shall:

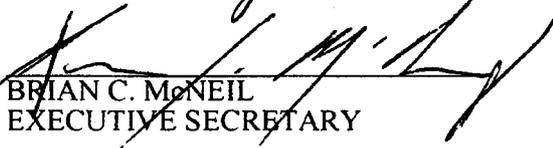
- 3 1) pursue permanent number portability arrangements with other local exchange
- 4 companies pursuant to Commission Rule, Federal Law and Federal Rule;
- 5 2) agree to abide by and participate in the AUSF mechanism covered by Decision No.
- 6 59623 (April 24, 1996);
- 7 3) abide by the quality of service standards that were approved by the Commission for
- 8 U S West in Docket No. T-01051B-93-0183; and
- 9 4) abide by all the Commission Decisions and policies regarding CLASS services.

10 IT IS FURTHER ORDERED that this Decision shall become effective immediately.

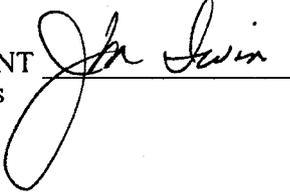
11 BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

<p>12 </p> <p>13 CHAIRMAN</p>	<p>12 </p> <p>13 COMMISSIONER</p>	<p>12 </p> <p>13 COMMISSIONER</p>
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16 IN WITNESS WHEREOF, I, BRIAN C. McNEIL, Executive  
17 Secretary of the Arizona Corporation Commission, have  
18 hereunto set my hand and caused the official seal of the  
19 Commission to be affixed at the Capitol, in the City of Phoenix,  
20 this 9th day of June, 2000.

20 

21 BRIAN C. McNEIL  
22 EXECUTIVE SECRETARY

22 DISSENT 

23 AG:bbs

1 SERVICE LIST FOR:

MVX.COM COMMUNICATIONS, INC.

2 DOCKET NO.:

T-03793A-99-0590

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