



0000045836

ANDREW O. ISAR

NEW APPLICATION
MILLER ISAR INC.
REGULATORY CONSULTANTS

7901 SKANSIE AVENUE,
SUITE 240
GIG HARBOR, WA 98335
TELEPHONE: 253.851.6700
FACSIMILE: 253.851.6474
HTTP://WWW.MILLERISAR.COM

ORIGINAL

RECEIVED

2002 AUG -2 A 10: 33

AZ CORP COMMISSION
DOCUMENT CONTROL

Arizona Corporation Commission
DOCKETED

AUG 02 2002

DOCKETED BY	CAK
-------------	-----

Via Overnight Delivery

August 1, 2002

Docket Control Office
Arizona Corporation Commission
1200 West Washington
Phoenix, AZ 85007-2996

T-03152A-02-0587

RE: Application of CEO Telecommunications, Inc. For Authority to Discontinue Service

Dear Sir or Madam:

Enclosed for filing with the Arizona Corporation Commission ("Commission"), are an original and eleven (11) copies of CEO Telecommunications, Inc.'s ("CEO" f/k/a L. D. Services, Inc.) *Application of CEO Telecommunications, Inc. For Authority to Discontinue Service* ("Application"). CEO requests Commission authority to withdraw from the provision of resold intrastate inter and intraLATA interexchange telecommunications services in Arizona and cancellation of its Arizona Certificate of Public Convenience and Necessity, following the culmination of an asset transfer from CEO to Legent Communications Corporation.¹

Please acknowledge receipt of this filing by file-stamping and returning the extra copy of the Application in the self-addressed, postage-paid envelope provided for this purpose. Thank you for your attention to this matter. Questions concerning this filing may be directed to the undersigned.

Sincerely,

MILLER ISAR, INC.

Andrew O. Isar

Enclosures

¹ See, Joint asset transfer letter notification of Legent Communications Corporation and CEO Telecommunications, Inc. to the Arizona Corporation Commission, Docket Nos. T-04084A-02-0551 and T-03152A-02-0551 (July 19, 2002).

BEFORE THE ARIZONA CORPORATION COMMISSION

WILLIAM A. MUNDELL

Chairman

JIM IRVIN

Commissioner

MARC L. SPITZER

Commissioner

IN THE MATTER OF CEO
TELECOMMUNICATIONS, INC. REQUEST
FOR AUTHORITY TO DISCONTINUE THE
PROVISION OF INTEREXCHANGE
TELECOMMUNICATIONS SERVICES IN
THE STATE OF ARIZONA AND
CANCELATION OF CERTIFICATE OF
PUBLIC CONVENIENCE AND NECESSITY

Docket No. T- _____ -

**APPLICATION OF
CEO TELECOMMUNICATIONS, INC.
FOR AUTHORITY TO DISCONTINUE SERVICE**

CEO Telecommunications, Inc. ("CEO" f/k/a L.D.Services, Inc. or "Applicant"), pursuant to the Arizona Corporation Commission's ("Commission") Rules of Practice and Procedure, hereby applies to the Commission for authority to discontinue the provision of competitive intrastate inter and intraLATA interexchange telecommunications services in the State of Arizona. Applicant's request results from the acquisition of Applicant's customer base and related non-tangible assets by Legent Communications Corporation ("Legent"). Applicant further seeks cancellation of its Certificate of Public Convenience and Necessity ("CPC&N") to institute the requested service discontinuance authority. In support of this Application, Applicant states as follows.

I. IDENTIFICATION OF APPLICANT

Applicant's name, business address and telephone number is:

CEO Telecommunications, Inc.
223 East De La Guerra Street
Santa Barbara, CA 93101
Telephone: 805.963.1619

Correspondence or communications concerning this Application may be addressed to Applicant's regulatory consultant:

Andrew O. Isar
Miller Isar, Inc.
7901 Skansie Avenue, Suite 240
Gig Harbor, Washington 98335
Telephone: 253.851.6700
Facsimile: 253.851.6474

and Applicant's counsel:

Eric Bohman, Esq.
CEO Telecommunications, Inc.
223 East De La Guerra Street
Santa Barbara, CA 93101
Telephone: 805.963.1619 extension 1205

Applicant is a non-dominant provider of competitive interLATA interexchange telecommunications services in Arizona and elsewhere. Applicant was granted a Certificate of Public Convenience and Necessity ("CPC&N") to operate as a non-facilities-based reseller of interexchange telecommunications services in Arizona under the name L.D. Services, Inc., in Docket No. T-03152A-99-0545. CEO's CPC&N remains in good standing with the Commission. CEO has provided competitive resold telecommunications services to less than 500 Arizona subscribers.

II. REQUEST FOR SERVICE DISCONTINUANCE AUTHORITY

On July 19, 2002, Legent and CEO jointly notified the Commission of the acquisition of CEO's customer base and related customer account data by Legent ("Joint Notification").¹ Legent's and CEO's Joint Notification states that this asset acquisition is intended to enable Legent to continue providing resold interexchange

¹ Assigned Docket Nos. T-04084A-02-0551 and T-03152A-02-0551.

telecommunications services to current CEO subscribers as new Legent subscribers. Legent and CEO expressed their understanding that the stated asset transfer does not require formal Commission approval pursuant to A.R.S. §40-285(c), as the stated asset transfer pertains exclusively to non-tangible assets that are not “useful or necessary in the performance of [its] duties to the public,” pursuant to A.R.S. §40-285. A copy of Legent’s and CEO’s Joint Notification to the Commission is attached hereto as **Exhibit A**.

With the culmination of this asset transfer, CEO has determined that it no longer desires to continue providing telecommunications services in the State of Arizona. Following the transfer of assets to Legent, CEO will serve no subscribers, will not solicit new subscribers, and will accept no new subscribers in Arizona. CEO seeks authority to discontinue the provision of intrastate inter and intraLATA interexchange service in Arizona and requests that its CPC&N be cancelled, accordingly, contingent upon Commission approval of the proposed Legent – CEO asset transfer, should such approval nevertheless be deemed necessary.

III. COMPLIANCE WITH CUSTOMER NOTIFICATION OBLIGATIONS

Written notice of Legent’s customer base acquisition and assumption of service responsibilities to CEO subscribers was prepared pursuant to applicable federal regulation, 47 CFR §64.1120(e), and provided to CEO subscribers on or before June 7, 2002. Pursuant to 47 CFR §64.1120(e), CEO subscribers were notified *inter alia* that Legent is to become their primary interexchange carrier, that subscribers will assume no cost associated with the transfer of accounts, and that subscribers retain the right to elect alternative service providers if they did not wish to be served by Legent. The proposed asset transfer date was July 15, 2002, according CEO subscribers more than 30 days notice of the transaction and Applicant’s proposed discontinuance of service. A copy of the CEO subscriber notification is attached to the copy of Legent’s and CEO’s July 19, 2002 Joint Notification attached hereto at Exhibit A.

IV. CONCLUSION

WHEREFORE, CEO Telecommunications, Inc. has determined it no longer desires to provide intrastate inter and intraLATA telecommunications services in the State of Arizona following the culmination of its customer base and related asset acquisition by Legent. Applicant has complied with applicable customer notification and service discontinuance obligations. Applicant maintains that its request for service discontinuance is consistent with the public interest and in no way impacts the public. Applicant respectfully requests, therefore, authority to discontinue the provision of intrastate interLATA and interLATA interexchange services and cancellation of its CPC&N as soon as practicable.

Respectfully submitted this 1st day of August, 2002

CEO TELECOMMUNICATIONS, INC.

By:

Eric Bohman

by Andrew O. Isar, ANDREW O. ISAR

for Eric Bohman
223 East De La Guerra Street
Santa Barbara, CA 93101
Telephone: 805.963.1619

STATE OF CALIFORNIA)
)
COUNTY OF SANTA BARBARA) ss.

VERIFICATION

I, Eric Bohman, being first duly sworn and deposed, state that I am an officer of CEO Telecommunications, Inc. and I am authorized to make this Verification on its behalf.

The statements in the foregoing document concerning CEO Telecommunications, Inc. are accurate and true of my own knowledge, except as to any matters therein stated on information and belief, and as to those matters I believe them to be true.

I declare under penalty of perjury that the foregoing is true and correct.

Executed this 18 day of June, 2002 at Santa Barbara, California.

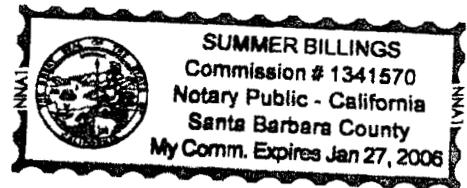
Eric Bohman
(Signature of Officer)

Eric Bohman, Esq.
Printed Name of Officer

Corporate Secretary
Title

Subscribed and sworn to before me this 18 day of June, 2002

Summer Billings
Notary Public in and for the state of California,
residing at: Santa Barbara
My commission expires: 1.27.06



CEO TELECOMMUNICATIONS, INC.

December 6, 2001

To Whom It May Concern:

Please be advised that in order to facilitate a timely closing of the proposed transaction between Legent Communications, Inc. ("Legent") and CEO Telecommunications, Inc. ("CEO"), this letter shall serve as notice that CEO hereby grants to Andrew Isar, of Miller Isar, Inc. the authority to sign all regulatory documents on behalf of CEO's Secretary, Eric Bohman, that pertain to Legent's acquisition of CEO's customer base. Please be advised however that this authority shall apply only to regulatory notifications and that any other notice, document or correspondence of any other nature that requires CEO's signature will be considered on a case by case basis.

Thank you for your continued assistance in this matter.

Very truly,



Eric Bohman, Esq.
Corporate Secretary
CEO Telecommunications, Inc.

EXHIBIT A

LEGENT COMMUNICATIONS CORPORATION
D/B/A LONG DISTANCE AMERICA

COMMISSION NOTIFICATION OF ASSET TRANSFER
AND
CUSTOMER NOTICE

NEW APPLICATION
**MILLER
ISAR** INC.
REGULATORY CONSULTANTS

ANDREW O. ISAR

7901 SKANSIE AVENUE,
SUITE 240
GIG HARBOR, WA 98335
TELEPHONE: 253.851.6700
FACSIMILE: 253.851.6474
HTTP://WWW.MILLERISAR.COM

RECEIVED

2002 JUL 22 A 11: 18

AZ CORP COMMISSION
DOCUMENT CONTROL

Via Overnight Delivery

July 19, 2002

Docket Control Office
Arizona Corporation Commission
1200 West Washington
Phoenix, AZ 85007-2996

T-04084A-02-0551
T-03152A-02-0551

RE: Legent Communications Corporation and CEO Telecommunications, Inc. Notice
of Asset Transfer

Dear Sir or Madam:

Legent Communications Corporation ("Legent") and CEO California Telecommunications, Inc. ("CEO" f/k/a L D Services, Inc.), pursuant to Arizona Revised Statutes ("A.R.S.") Section 40-285, Disposition of plant by public service corporations; acquisition of capital stock of public service corporation by other public service corporations, hereby notify the Arizona Corporation Commission ("Commission") of the acquisition of certain CEO assets by Legent. Legent proposes to continue providing resold interexchange telecommunications services to CEO's current subscribers under grandfathered CEO rate plans, as new Legent subscribers.

Identification of Companies. Legent is a corporation organized under the laws of the State of California with its principal place of business located at 8001 Irvine Center Drive, Suite 1140, Irvine, CA 92618-2992. Legent was granted a Certificate of Convenience and Necessity to provide competitive resold interexchange telecommunications services, except local services, in Decision No. 64979 on June 26, 2002, in Docket No. T-04084A-02-0109. Intrastate interexchange services to former CEO subscribers are to be provided pursuant to the rates, terms, and conditions contained in CEO's tariff, Arizona C.C. Tariff No. 1, which Legent wishes to adopt in its entirety.

CEO is a corporation organized under the laws of the State of California with its principal place of business located at 223 East De La Guerra Street, Santa Barbara, CA 93101. CEO was granted a Certificate of Convenience and Necessity to provide competitive resold interexchange telecommunications services, except local services, in 1999 in Docket No. T-03152A-99-0545.

Description of Transferred Assets. Legent hereby notifies the Commission of CEO's intent to sell, and Legent's intent to acquire, certain CEO assets including CEO's customer base. Such assets primarily include CEO's base of customers and related data, databases, and customer records. No physical assets are being acquired by Legent. Legent states that the proposed asset

acquisition is intended exclusively to enable Legent to continue providing resold interexchange telecommunications services to current CEO subscribers as new Legent subscribers. CEO has determined that it no longer desires to continue serving telecommunications subscribers in the State of Arizona. It is the strategic interest of Legent to expand its operations through the acquisition of CEO assets as requested herein. Through the stated asset transfer, current CEO subscribers will continue to receive uninterrupted interexchange telecommunications services and will benefit from a variety of added features and support provided by Legent. Former CEO subscribers will be served under their existing, Commission-approved rate plans. The transaction is exclusively an asset transfer and does not involve a merger or consolidation.

Although the Legent and CEO, to the best of their knowledge and belief, maintain that there are no complaints or compliance issues pending against CEO in Arizona, CEO maintains responsibility for the timely resolution of any complaints or issues that may arise through the consummation of this transaction.

It is Legent's and CEO's understanding that the stated asset transfer does not require formal Commission approval. Pursuant to A.R.S. §40-285(c),

Nothing in this section shall prevent the sale, lease or other disposition by any such corporation of property which is not necessary or useful in the performance of its duties to the public, and any sale of its property by such corporation shall be conclusively presumed to have been of property which is not useful or necessary in the performance of its duties to the public as to any purchaser of the property in good faith for value.

Legent and CEO understand that the Commission has interpreted the transfer of customer bases and related assets, such as the stated asset transfer, to not be "useful or necessary in the performance of its duties to the public," pursuant to A.R.S. §40-285, requiring only notification to the Commission and affected subscribers, as provided herein.

Compliance With Federal Customer Verification Regulation. Legent and CEO hereby aver to their compliance with federal regulations governing changes in long distance services, 47 C.F.R. §64.1100 *et seq.* For the specific purpose of affecting this asset transfer, Legent and CEO aver further to compliance with 47 CFR §64.1120, Verification of Orders for Telecommunications Service, subpart (e). Notice of the asset transfer has been prepared pursuant to Federal Communications Commission rule, 47 CFR §64.1120(e), and provided to CEO customers via First Class United States mail on or about June 7, 2002. Subscribers have been accorded notice more than 30 days prior to the scheduled transfer date of July 15, 2002. Subscribers have been notified *inter alia* that no cost is associated with the transfer of accounts, that no action is required on their behalf to maintain service, and of the subscriber's right to elect another carrier. A copy of this notice and certification of compliance with 47 CFR §64.1120(e) made to the Federal Communications Commission is attached.

Docket Control Office

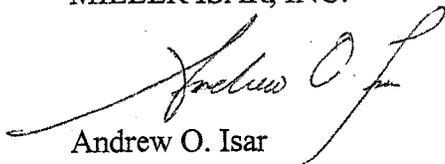
July 19, 2002

Page 3

An original and eleven (11) copies of this letter and the related attachment are enclosed. Please date stamp the extra copy of this letter as verification of filing and return this copy to us in the postage prepaid envelope provided for this purpose. Thank you for your attention to the matter. Questions may be directed to the undersigned.

Respectfully submitted,

MILLER ISAR, INC.

A handwritten signature in cursive script, appearing to read "Andrew O. Isar".

Andrew O. Isar

Regulatory Consultants to
Legent Communications Corporation

Attachment

cc: Mr. Scott A. White
Mr. Eric Bohman, Esq.



IMPORTANT CUSTOMER NOTICE

LEGENT COMMUNICATIONS CORPORATION [D/B/A LONG DISTANCE AMERICA] WILL BEGIN PROVIDING YOUR LONG DISTANCE SERVICE FOLLOWING REGULATORY APPROVALS. SERVICE AND RATES WILL NOT BE AFFECTED

Dear Customer:

Legent Communications Corporation [d/b/a Long Distance America] (Legent) is pleased to announce its acquisition of the assets of CEO Telecommunications, Inc. d/b/a Long Distance Services*, your present provider of long distance services. Your current service features and rates WILL NOT CHANGE. This acquisition will enable you to begin receiving the highest quality telecommunications services available and responsive customer service from Legent, a company with more than a decade of telecommunications experience.

This change is expected to occur within 30 to 60 days, pending approval by the state public utility/public service commission. There is no cost associated with the transfer of your service to Legent. You will continue to receive your current long distance services and features with no change in rates. A summary of Legent's full service offerings with terms and conditions can be found at www.ldservices.info, or by calling 888-478-8724. We have taken all necessary steps to ensure a seamless transition of your long distance services to Legent. If you have any questions, please contact us at: **Legent Communications Corporation, P.O. Box 50008, Irvine, CA 92619-0008 or 1.888.478.8724.**

We soon expect to introduce new and innovative products and services designed to bring you added value and savings. You should be aware that you have an option to change long distance provider. If you would like to change service providers, you should do so on or before July 15, 2002, otherwise your service will automatically convert to Legent following regulatory approval. Any future changes in rates, terms, and conditions of service will be made in accordance with applicable Federal Communications Commission and state regulatory commission regulations. Legent will not be responsible for any pending regulatory complaints filed before Legent begins providing your service. The disposition of those complaints remains the responsibility of CEO Telecommunications, Inc. If you have any questions regarding outstanding complaints, you may contact your state's regulatory commission consumer affairs division.

On behalf of Legent and its dedicated employee team, welcome as a new Legent customer. We realize you have a choice of providers and appreciate your business.

Sincerely,

Legent Communications Corporation [d/b/a Long Distance America]

Scott A. White
President

* where available

P.O. Box 50008, Irvine, CA 92619-0008
Phone 949-753-7000 - Fax 949-753-7267