

OPEN MEETING ITEM



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ORIGINAL



COMMISSIONERS
JEFF HATCH-MILLER - Chairman
WILLIAM A. MUNDELL
MARC SPITZER
MIKE GLEASON
KRISTIN K. MAYES

ARIZONA CORPORATION COMMISSION

DATE: June 2, 2006

DOCKET NO.: T-03475A-06-0104

TO ALL PARTIES:

Enclosed please find the recommendation of Administrative Law Judge Amy Bjelland. The recommendation has been filed in the form of an Order on:

ONE POINT COMMUNICATIONS – COLORADO, LLC dba VERIZON AVENUE

(CC&N CANCELLATION)

Pursuant to A.A.C. R14-3-110(B), you may file exceptions to the recommendation of the Administrative Law Judge by filing an original and thirteen (13) copies of the exceptions with the Commission's Docket Control at the address listed below by **4:00 p.m.** on or before:

JUNE 12, 2006

The enclosed is NOT an order of the Commission, but a recommendation of the Administrative Law Judge to the Commissioners. Consideration of this matter has tentatively been scheduled for the Commission's Open Meeting to be held on:

JUNE 27 AND 28, 2006

For more information, you may contact Docket Control at (602)542-3477 or the Hearing Division at (602)542-4250. For information about the Open Meeting, contact the Executive Director's Office at (602) 542-3931.

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BRIAN C. McNEIL
EXECUTIVE DIRECTOR

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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

JEFF HATCH-MILLER Chairman
WILLIAM A. MUNDELL
MARC SPITZER
MIKE GLEASON
KRISTIN K. MAYES

IN THE MATTER OF THE APPLICATION OF
ONE POINT COMMUNICATIONS – COLORADO,
LLC dba VERIZON AVENUE TO CANCEL ITS
CERTIFICATE OF CONVENIENCE AND
NECESSITY FOR RESOLD LOCAL EXCHANGE
AND LONG DISTANCE, FACILITIES-BASED
LOCAL EXCHANGE AND INDEPENDENT
LONG DISTANCE CARRIER
TELECOMMUNICATIONS SERVICES.

DOCKET NO. T-03475A-06-0104

DECISION NO. _____

ORDER

Open Meeting
June 27 and 28, 2006
Phoenix, Arizona

BY THE COMMISSION:

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

FINDINGS OF FACT

1. On November 19, 1999, the Commission issued Decision No. 62086 which granted to OnePoint Communications – Colorado, LLC dba Verizon Avenue (“OnePoint”) a Certificate of Convenience and Necessity (“Certificate”) to provide competitive facilities-based and resale intrastate interLATA and intraLATA telecommunications services and local exchange services within Arizona.

2. On February 17, 2006, OnePoint filed a Notice of Filing to inform the Commission that it would be filing an application to discontinue services and to cancel its Certificate with a proposed effective date of May 1, 2006¹. OnePoint wishes to exit the resale of voice services

¹ OnePoint wishes to expedite the processing of its Arizona application and approval of its proposed May 1, 2006 termination date in order to coordinate its effort in Arizona with 13 other states across the nation within which it provides the same telecommunications services as those provided in Arizona.

1 businesses on a nationwide basis due to the increased focus on broadband offerings, which has
2 rendered OnePoint's narrowband voice offerings less competitive and attractive. In its May 19, 2006
3 Staff Report, the Commission's Utilities Division ("Staff") recommended approval of OnePoint's
4 application for cancellation of its Certificate.

5 3. OnePoint stated that it will refund any and all deposits in accordance with its tariff.
6 After service is terminated, any deposits will be netted against outstanding charges, and if a balance
7 is due to the customer, a check will be mailed to the customer within 45 days of the termination date
8 of service. According to Staff, as of May 10, 2006, there are no outstanding customer deposits held
9 by OnePoint.

10 4. On February 23, 2006, OnePoint filed a Request for Waiver of a provision of Decision
11 No. 62086 which required OnePoint to notify each of its customers 60 days prior to filing an
12 application to discontinue service. Absent a waiver, OnePoint would be required to wait until April
13 18, 2006 (60 days from the date it filed its Notice of Filing on February 17, 2006) to file its
14 application to discontinue service and cancel its Certificate. OnePoint mailed a letter to all of its
15 customers on February 16, 2006, 74 days in advance of the proposed discontinuance of the services
16 planned for May 1, 2006. OnePoint included a list of 70 alternate providers with the letter that could
17 provide service to customers in Arizona. OnePoint issued a second notice to its customers on
18 February 28, 2006, and a third notice on March 24, 2006. OnePoint believes that this effort fulfills
19 the Commission's intent by providing substantially more notice to customers than is required by
20 Decision No. 62086. Staff recommended that OnePoint's request for a waiver of this requirement be
21 granted.

22 5. On February 24, 2006, OnePoint submitted its Application to Discontinue Services
23 and to Cancel Certificate of Convenience and Necessity. As of February 24, 2006, OnePoint reported
24 that it provided resold residential local exchange and long distance services to approximately 80
25 customers in Phoenix and Tucson. As of May 10, 2006, 22 OnePoint customers in Arizona had not
26 selected an alternate service provider. Of the 22 remaining customers, 16 customers that live in the
27 Phoenix Metropolitan Area receive local service and 11 of those customers receive long distance
28 service. Six customers live in the Tucson Metropolitan Area and receive local service; four of these

1 receive long distance service. OnePoint does not provide telecommunications services to business
2 customers and does not have any contracts with its customers.

3 6. April 7, 2006, OnePoint filed a Notice of Filing Affidavits of Publication.

4 7. OnePoint's performance bond is still valid and is in the amount of \$235,000.

5 8. OnePoint's operations for providing telecommunications services to customers in
6 Arizona are located in Virginia. OnePoint does not maintain any offices, facilities or employees in
7 Arizona. Therefore, there is no impact to any facilities or employees in Arizona.

8 9. The Consumer Services Section of the Utilities Division reports that there have been
9 10 complaints against OnePoint from 2003 through February 28, 2006. Consumer Services stated
10 that OnePoint is in good standing with the Corporations Division of the Commission. According to
11 the Compliance and Enforcement Section of the Utilities Division, OnePoint does not have any
12 compliance delinquencies.

13 10. Staff stated that there are numerous other carriers offering similar services in Arizona.
14 Staff believes that approval of the application is in the public interest. Staff's recommendations are
15 reasonable and should be adopted.

16 **CONCLUSIONS OF LAW**

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

19 2. The Commission has jurisdiction over Applicant and the subject matter of the
20 application.

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

22 4. Approval of the application is in the public interest.

23 **ORDER**

24 IT IS THEREFORE ORDERED that the application of OnePoint Communications -
25 Colorado, LLC dba Verizon Avenue to cancel its Certificate of Convenience and Necessity for
26 Resold Local Exchange and Long Distance, Facilities-based Local Exchange and Independent Long
27 Distance Carrier Telecommunications Services shall be, and hereby is, granted, subject to the
28 provisions contained herein.

1 IT IS FURTHER ORDERED that the cancellation of the Certificate of Convenience and
2 Necessity held by OnePoint Communications – Colorado, LLC dba Verizon Avenue shall be
3 effective 45 days after issuance of this Decision.

4 IT IS FURTHER ORDERED that OnePoint Communications – Colorado, LLC dba Verizon
5 Avenue shall notify its customers of this Decision and provide to its customers the termination date
6 consistent with this Decision.

7 IT IS FURTHER ORDERED that the requirement of Decision No. 62086 that OnePoint
8 Communications – Colorado, LLC dba Verizon Avenue notify each of its customers sixty days prior
9 to discontinuing service shall be, and hereby is, waived.

10 IT IS FURTHER ORDERED that upon cancellation of its Certificate of Convenience and
11 Necessity, OnePoint Communications – Colorado, LLC dba Verizon Avenue shall no longer be
12 authorized to provide local exchange and long distance telecommunications services in Arizona and
13 therefore, shall no longer be subject to the requirements of Decision No. 62086.

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IT IS FURTHER ORDERED that OnePoint Communications – Colorado, LLC dba Verizon Avenue’s tariffs on file with the Commission shall be, and hereby are, cancelled.

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

BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

CHAIRMAN

COMMISSIONER

COMMISSIONER

COMMISSIONER

COMMISSIONER

IN WITNESS WHEREOF, I, BRIAN C. McNEIL, Executive Director of the Arizona Corporation Commission, have hereunto set my hand and caused the official seal of the Commission to be affixed at the Capitol, in the City of Phoenix, this ____ day of _____, 2006.

BRIAN C. McNEIL
EXECUTIVE DIRECTOR

DISSENT _____

DISSENT _____

AB:mj

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SERVICE LIST FOR:

ONEPOINT COMMUNICATIONS – COLORADO,
LLC dba VERIZON AVENUE

DOCKET NO.:

T-03475A-06-0104

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