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BEFORE THE ARIZONA CORPORATION COMMISSION

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2 WILLIAM A. MUNDELL
CHAIRMAN
3 JIM IRVIN
COMMISSIONER
4 MARC SPITZER
COMMISSIONER

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AZ CORP COMMISSION
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6 IN THE MATTER OF THE APPLICATION OF
TELIGENT SERVICES, INC. FOR
7 CANCELLATION OF ITS CERTIFICATE OF
CONVENIENCE AND NECESSITY.

DOCKET NO. T-03761A-01-0911

PROCEDURAL ORDER

8 **BY THE COMMISSION:**

9 On November 16, 2001, Teligent Services, Inc. ("Applicant") filed for emergency authority to
10 discontinue the provision of local exchange service.

11 On November 19, 2001, the Arizona Corporation Commission ("Commission") Utilities
12 Division ("Staff") filed a memorandum regarding a separate docket involving Applicant and TAC
13 License Corp.¹ In that docket, Applicant and TAC License Corp. filed for an emergency approval to
14 assign the Certificate of Convenience and Necessity ("Certificate") and all the assets and operations
15 of Applicant to TAC License Corp. In that matter, Staff filed a Staff Report recommending approval
16 of that application following a hearing and subject to the approval of the Bankruptcy Court.²

17 On January 11, 2002, Staff filed its Staff Report in this matter. Staff recommended approval
18 of Applicant's request to discontinue local exchange service. Staff also recommended that
19 Applicant's Certificate of Convenience and Necessity ("Certificate") to provide local exchange
20 service be rescinded.

21 On February 8, 2002, Applicant filed exceptions to the Staff Report. Specifically, Applicant
22 requested that Staff reconsider its decision to recommend the cancellation of Applicant's Certificate
23 to provide local exchange services. Applicant relied upon the pending reemergence plan with TAC
24 License Corp. that was pending approval by the Bankruptcy Court. Subsequently, the reemergence
25 plan with TAC License Corp. was ultimately not able to be confirmed by the Bankruptcy Court for

26
27 ¹ Docket No. T-03761A-01-0711.

28 ² The approval of the Bankruptcy Court is necessary because on May 21, 2001, Teligent, Inc. and all of its direct and indirect subsidiaries, including Applicant, filed voluntary petitions for relief under Chapter 11 of the U.S. Bankruptcy Code with the U.S. Bankruptcy Court.

1 lack of required funding.

2 On May 31, 2002, Applicant filed a second plan of reorganization to emerge from Chapter 11
3 Bankruptcy with the Commission. Applicant has indicated that the next Bankruptcy Court date is set
4 for August 14, 2002. Applicant has stated that it believes that the reorganization plan may not require
5 any formal approval/consent from the Commission; however, out of an abundance of caution,
6 Applicant has stated that it is informing the Commission of its reemergence plan and is seeking any
7 necessary consent/approval as soon as possible.

8 Based upon the Staff Report and Applicant's second plan of reorganization to emerge from
9 Chapter 11 Bankruptcy, Applicant shall be required to update the Commission regarding the outcome
10 of the Bankruptcy Court date set for August 14, 2002.

11 IT IS THEREFORE ORDERED that Teligent Services, Inc. shall file a memorandum, by no
12 later than August 21, 2002, updating the Commission regarding the Bankruptcy Court proceedings on
13 August 14, 2002, and the likelihood, if any, that Teligent Services, Inc. will have its second
14 reemergence plan approved by the Bankruptcy Court.

15 DATED this 7 day of August, 2002.


PHILIP J. DION III
ADMINISTRATIVE LAW JUDGE

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19 Copies of the foregoing mailed
this 7 day of August, 2002 to:

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28 ...

1 Ernest G. Johnson, Director
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3 ARIZONA CORPORATION COMMISSION
4 1200 West Washington Street
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6 By: 
7 Molly Johnson
8 Secretary to Philip J. Dion III
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