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BEFORE THE ARIZONA CORPORATION C

1
2 WILLIAM A. MUNDELL
Chairman
3 JIM IRVIN
Commissioner
4 MARC SPITZER
Commissioner

Arizona Corporation Commission

DOCKETED

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6 IN THE MATTER OF THE EMERGENCY)
7 APPLICATION OF TELIGENT SERVICES, INC.,)
TO DISCONTINUE LOCAL EXCHANGE)
8 SERVICE AND FOR A WAIVER OF)
R14-2-1107(B))

DOCKET NO. T-03761A-01-0911

DECISION NO. 64250

ORDER

11 Open Meeting
November 27 and 28, 2001
12 Phoenix, Arizona

13 BY THE COMMISSION:

14 FINDINGS OF FACT

15 1. On November 15, 2001, Teligent Services, Inc. ("Teligent") filed an "emergency"
16 Application to discontinue basic local service effective December 15, 2001, and for approval of a
17 waiver of R14-2-1107(B). This Application was filed on the day a hearing was to be held on another
18 Teligent docket filed on September 11, 2001.

19 2. In that docket, Teligent and TAC License Corp. filed for emergency approval to assign
20 the Certificate of Convenience and Necessity ("CC&N") and all the assets and operations of Teligent
21 to TAC License Corp.

22 3. Teligent holds Arizona CC&Ns to provide local telecommunications service, intrastate
23 facilities-based and resold intrastate toll and non-switched private line services.

24 4. On May 21, 2001, Teligent, Inc., and all of its direct and indirect subsidiaries including
25 Teligent, filed voluntary petitions for relief under Chapter 11 of the U.S. Bankruptcy Code with the
26 U.S. Bankruptcy Court in order to restructure its long-term debt. In conjunction with the bankruptcy
27 proceedings, Teligent Inc., entered into an interim arrangement with its lenders to provide funds for
28 near-term operations for itself and its subsidiaries.

1 5. As stated in the Application at issue, Teligent Inc.'s creditors have indicated that they will
2 not continue to "...make sufficient funds available to continue all of Teligent's current operations" and
3 that by December 15, 2001, Teligent will not have sufficient funds to continue basic local service.

4 6. Thus, Teligent requests approval to discontinue local service on December 15, 2001, and
5 also requests approval of a waiver of part of the Commission Rule that governs service abandonment.
6 Teligent will, however, continue to provide fixed wireless services including private line, transport,
7 and wholesale services, in addition to resold services in Arizona.

8 7. Approximately 174 business customers will be affected by abandonment of local service.

9 8. R14-2-1107, addresses applications to discontinue local exchange service. Part A. of the
10 Rule lists the information that must be included in an application. Included in that information must
11 be verification "that all affected customers will have access to an alternative local exchange service
12 provider".

13 9. As of this writing, Staff has received a call from one customer who contacted Qwest as
14 soon as he received Teligent's notice to discontinue service. He was told by Qwest they could provide
15 him service in 60 to 90 days.

16 10. Part B. of the Rule provides Staff 20 days to find the Application to be "in proper form".
17 The applicant must file legal notice of the Application in all counties affected by the Application.
18 Then, interested parties have 30 days to "file objections to the Application, to request a hearing, and
19 to submit a motion to intervene in the proceeding." Part C. of the Rule allows the Commission to
20 grant the Application without a hearing.

21 11. The emergency Application indicates that Teligent believes that R14-2-1107 does not
22 apply to bankruptcies but that in the event that the Commission finds the Rule to be applicable, it asks
23 the Commission to grant a waiver of R14-2-1107 (B). Teligent asserts that the cost of compliance with
24 Part B would be unduly burdensome. In place of the legal notice requirement, Teligent has provided
25 customers individual notice by overnight courier.

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1 12. If the Commission were to grant a waiver to part B, customers would have a much shorter
2 period in which to participate in this docket. Also, if Part B were waived, and abandonment of service
3 were immediately approved, customers' businesses could be severely impacted if they cannot receive
4 service from another utility until after December 15th.

5 13. Teligent should be directed to provide one additional notice by two-day delivery service
6 mail with tracking and signature required to its local service customers of the impending service
7 termination to be mailed to all local service customers no later than November 28, 2001. The notice
8 should advise the customer that he or she may contact the Arizona Corporation Commission's
9 Consumer Services Section with problems or concerns about the service discontinuation. The notice
10 should include the Commission's toll-free number (1-800-222-7000).

11 14. Teligent should be directed to determine which local service customers have not found
12 a local service provider who will have the ability to provide the customer local service before
13 December 15, 2001. Teligent will assist those customers in obtaining a new local service provider and
14 will continue providing service to those customers until they receive local exchange service from
15 another provider. By December 10, 2001, Teligent shall provide the Utilities Division Director a
16 written list of all local service customers their respective addresses and telephone numbers, which are
17 still dependent on Teligent for local service as of December 5, 2001.

18 15. Under the above conditions, Teligent should be provided a limited waiver of that portion
19 of A.A.C. R14-2-1107(B) that requires the publication of legal notice.

20 16. The Commission should approve the application to discontinue local service after all
21 above conditions are met.

22 CONCLUSIONS OF LAW

23 1. Teligent Services, Inc., is a public service corporation within the meaning of Article XV,
24 Section 2, of the Arizona Constitution.

25 2. The Commission has jurisdiction over Teligent Services, Inc., and the subject of the
26 Application.

27 3. The limited waiver of R14-2-1107(B) is in the public interest is should be granted.
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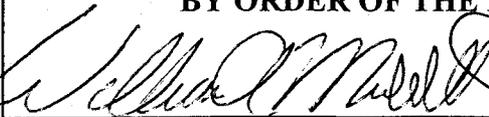
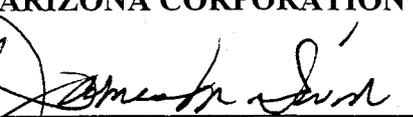
ORDER

IT IS THEREFORE ORDERED that Teligent Services, Inc.'s Application for approval of a waiver of R14-2-1107(B) is hereby approved as conditioned in Findings of Fact Nos. 13 and 14.

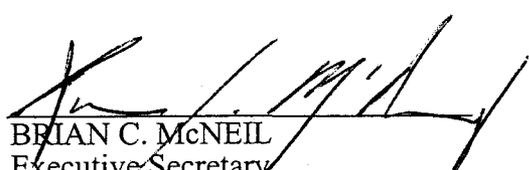
IT IS FURTHER ORDERED that Teligent Services, Inc.'s Application for approval of a limited waiver of R14-2-1107(B) is hereby granted.

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

BY ORDER OF THE ARIZONA CORPORATION COMMISSION

		
CHAIRMAN	COMMISSIONER	COMMISSIONER

IN WITNESS WHEREOF, I, BRIAN C. McNEIL, Executive Secretary of the Arizona Corporation Commission, have hereunto, set my hand and caused the official seal of this Commission to be affixed at the Capitol, in the City of Phoenix, this 4TH day of December, 2001.


 BRIAN C. McNEIL
 Executive Secretary

DISSENT: _____

EGJ:LAJ:jbc/CCK

1 SERVICE LIST FOR: Teligent Services, Inc.
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