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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

Arizona Corporation Commission

DOCKETED

- JEFF HATCH-MILLER, Chairman
- WILLIAM A. MUNDELL
- MIKE GLEASON
- KRISTIN K. MAYES
- GARY PIERCE

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IN THE MATTER OF THE APPLICATION OF
 TRANSCOMMUNICATIONS, INC., FOR
 APPROVAL TO CANCEL ITS CERTIFICATE OF
 CONVENIENCE AND NECESSITY TO PROVIDE
 RESOLD LONG DISTANCE
 TELECOMMUNICATIONS SERVICES IN THE
 STATE OF ARIZONA.

DOCKET NO. T-03232A-05-0209

DECISION NO. 69342

ORDER

Open Meeting
 February 13 and 14, 2007
 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. In Decision No. 63525 (March 30, 2001), the Commission granted to Transcommunications Inc. ("Applicant" or "Company") a Certificate of Convenience and Necessity ("Certificate" or "CC&N") authorizing it to provide resold long distance telecommunications services in Arizona.

2. On March 21, 2005, Applicant, through its regulatory consultants, Miller Isar Inc., filed an application with the Commission requesting approval to cancel its CC&N to provide resold long distance telecommunications services and to cancel its tariffs in Arizona.

3. According to Staff's Report, the Applicant's application indicated that it intended to discontinue its discretionary prepaid, interexchange telecommunications service in Arizona on May 1, 2005. The Company's application further explained that it provided discretionary prepaid calling cards to long haul truck drivers distributed through trucking companies. Additionally, the Company indicated it ceased making new prepaid calling cards on November 8, 2004.

1 4. Pursuant to A.A.C R14-2-1107(B) an applicant for discontinuation of service must
2 publish legal notice of the application in all counties affected by the cancellation. Here, Staff
3 reported that the Company provided prepaid calling card services that were limited in duration and
4 the users were not known. Further, the Company's application indicated they "entered into a
5 management agreement with Innovative Processing Solutions, LLC ("IPS"), a Nevada Limited
6 Liability Company, for the continued provision of service to the limited customer accounts that may
7 [have] remain[ed] active." Additionally, IPS informed Staff that the Applicant filed for bankruptcy
8 on December 30, 2003, and IPS purchased the assets out of bankruptcy on November 8, 2004. IPS
9 indicated that at that time, it assumed responsibility for honoring any outstanding service
10 commitments to remaining users and underlying carriers. Due to the limited nature of the
11 Applicant's business in Arizona and because there is no likelihood that former customers will be
12 harmed by the cancellation, Staff recommends waiver of the notification requirements set forth in
13 A.A.C. R14-2-1107(B).

14 5. As discussed in Decision No. 63525 (March 30, 2001), it would render A.A.C. R14-2-
15 1107 meaningless and would run afoul of the rule's intent and plain language to exempt an Applicant
16 from the requirements of the rule because it has no customers due to its discontinuation of service.
17 However, due to the unique circumstances of this case, waiver of the public notice requirements is
18 reasonable. Further, absent the unique facts presented in this case, we will strictly enforce the
19 requirements set forth in A.A.C. R14-2-1107. Additionally, the granting of a waiver in this matter
20 should not be considered precedent for other carriers that wish to discontinue service.

21 6. According to Staff, the Applicant does not have any residential customers.

22 7. The Company does not have a performance bond with the Commission.

23 8. According to Staff's Report, the Applicant has no outstanding compliance issues filed
24 with the Commission.

25 9. Staff recommends approval of the Applicant's application for cancellation of its
26 CC&N to provide resold long distance telecommunications services and tariff in Arizona and waiver
27 of the notice rules as outlined in R-14-2-1107.
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CONCLUSIONS OF LAW

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

2. A.A.C. R14-2-1107 applies to any telecommunications company providing competitive local exchange or interexchange service on a resold or facilities-based basis that intends to discontinue service or to abandon all or a portion of its service area.

3. The Commission has jurisdiction over Applicant and the subject matter of the application.

4. The cancellation of Applicant's CC&N is in the public interest.

5. The requirements of A.A.C. R14-2-1107 should be waived based upon the unique circumstances of this case.

6. Staff's recommendations are reasonable and should be adopted.

ORDER

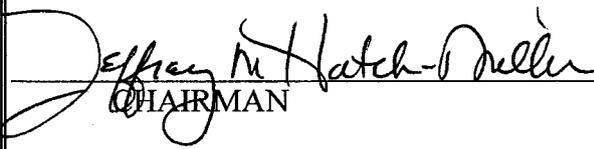
IT IS THEREFORE ORDERED that the application of Transcommunications, Inc., for cancellation of its Certificate of Convenience and Necessity to provide resold long distance telecommunications services in Arizona shall be, and is hereby, granted.

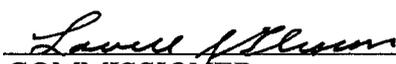
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1 IT IS FURTHER ORDERED that the tariffs of Transcommunications, Inc., are hereby
2 cancelled.

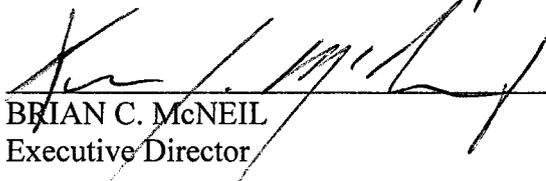
3 IT IS FURTHER ORDERED that this Decision shall become effective immediately.

4 BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

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6  CHAIRMAN  COMMISSIONER
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9  COMMISSIONER  COMMISSIONER  COMMISSIONER
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11 IN WITNESS WHEREOF, I BRIAN C. McNEIL, Executive
12 Director of the Arizona Corporation Commission, have
13 hereunto, set my hand and caused the official seal of this
14 Commission to be affixed at the Capitol, in the City of Phoenix,
15 this 20th day of February, 2007.

16 
17 BRIAN C. McNEIL
18 Executive Director

19 DISSENT: _____

20 DISSENT: _____

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22 YK: mj
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1 SERVICE LIST FOR:

TRANSCOMMUNICATIONS, INC.

2 DOCKET NO.:

T-03232A-05-0209

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