

ORIGINAL NEW APPLICATION



0000077153

EARLY, LENNON, CROCKER & BARTOSIEWICZ, P.L.C.

28

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(1922 - 2001)
JOSEPH J. BURGIE
(1926 - 1992)

September 20, 2007

Brian McNeil, Executive Secretary
Arizona Corporation Commission
Telecommunications Division
1200 West Washington
Phoenix, AZ 85007

Arizona Corporation Commission
DOCKETED

SEP 26 2007

RE: Global Internetworking, Inc.
Docket No. T-04105A-07-0548

DOCKETED BY

Dear Mr. McNeil:

We are the attorneys for Global Internetworking, Inc. (hereinafter "GII"). The Arizona Corporation Commission ("Commission") previously authorized GII to provide intrastate telecommunications services. GII no longer intends to retain authority in the State of Arizona.

For filing with the Commission, attached please find an original and thirteen (13) copies of the above captioned company's Response to Order Show Cause and Application to Cancel Certificate of Public Convenience and Necessity.

Please forward any additional forms or requirements, correspondence, or questions to me.

Very truly yours,

EARLY, LENNON, CROCKER & BARTOSIEWICZ, P.L.C.

Patrick D. Crocker

PDC/tld

AZ CORP COMMISSION
DOCKET CONTROL

2007 SEP 25 A 9 31

RECEIVED

STATE OF ARIZONA
ARIZONA CORPORATION COMMISSION

Global Internetworking, Inc.)	
)	Docket No.:
Response to Order Show Cause and)	T-04105A-02-0281
Application to Cancel Certificate of Public)	
Convenience and Necessity)	

PETITION

NOW COMES, Global Internetworking, Inc. ("GII" or "Applicant") and in response to the Order to Show Cause hereby petitions the Arizona Corporation Commission to cancel its Certificate of Convenience and Necessity. In support of this petition, Applicant states as follows:

1. GII held a Certificate of Convenience and Necessity pursuant to the Commission's Order in Docket No. T-04105A-02-0281; Decision No. 66452 dated October 24, 2005 and attached hereto as **Exhibit A**. The Order required a tariff and performance bond to be filed on or before October 25, 2004. On November 4, 2004, this firm contacted staff member Adam Lebrecht upon discovering that the tariff and performance bond had not been filed. Mr. Lebrecht indicated that he would speak with the compliance department. This firm communicated with staff on numerous occasions concerning this matter from November 2004 through April 2005.

2. On September 8, 2005 a Compliance Delinquency Notice was filed by Brian K. Bozzo, indicating that the company needed to provide compliance filings for the listed items. As directed by the transmittal, we contacted Mr. John Bulanowski and faxed the requested compliance tariff.

3. A Waiver of Performance Bond was filed on October 31, 2005 and the Commission opened Docket No. T-04105A-05-0810 for the Waiver.

4. On November 14, 2005, Staff Member John Bostwick, sent an email to Patrick D. Crocker stating that the compliance tariff filed in Decision No. 66452 was "null and void." A copy of this e-mail is attached hereto as **Exhibit B**.

5. Further communication between the Commission staff and this firm continued on the issue whether the Certificate of Convenience and Necessity and tariff were null and void through March 7, 2006. On March 10, 2006 our firm advised the Commission that GII did not want to proceed with the application and the Commission issued an Order administratively closed the docket on March 22, 2006. Evidence of the administrative response is attached as **Exhibit C**.

6. On August 16, 2007, in response to receiving information indicated that GII would be added to a Show Cause Docket, we submitted the letter attached as **Exhibit D**. On August 28, 2007, this Commission issued a Show Cause Order identifying GII as a party.

WHEREFORE, Global Internetworking, Inc. respectfully requests that the Arizona Corporation Commission:

- A. Grant this Petition to cancel and withdraw its Certificate of Convenience and Necessity Authority granted in Docket No. T-041005A-02-0281 and T-04105A-05-0810;
- B. Dismiss Petitioner from the Show Case in Docket No. C-00000A-07-0430.

Respectfully submitted,

Global Internetworking, Inc.

Patrick D. Crocker
Early, Lennon, Crocker & Bartosiewicz, P.L.C.
900 Comerica Building
Kalamazoo, MI 49007
Phone: (269) 381-8844
Facsimile: (269) 381-8822
E-mail: pcrocker@earlylennon.com

Its Attorneys

EXHIBIT A

Certificate to provide competitive resold interexchange telecommunication services in Arizona pursuant to the Commission's Order in Docket No. T-04105A-02-0281; Decision No. 66452 dated October 24, 2005.

1
2 **BEFORE THE ARIZONA CORPORATION COMMISSION**

Arizona Corporation Commission

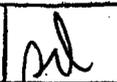
3 COMMISSIONERS

DOCKETED

4 MARC IRVIN
5 WILLIAM A. MUNDELL
6 JEFF HATCH-MILLER
7 MIKE GLEASON
8 KRISTIN K. MAYES

OCT 24 2003

DOCKETED BY



9 IN THE MATTER OF THE APPLICATION OF
10 GLOBAL INTERNETWORKING, INC. FOR A
11 CERTIFICATE OF CONVENIENCE AND
12 NECESSITY TO PROVIDE COMPETITIVE
13 RESOLD INTEREXCHANGE
14 TELECOMMUNICATIONS SERVICES, EXCEPT
15 LOCAL EXCHANGE SERVICES

DOCKET NO. T-04105A-02-0281

66452

DECISION NO. _____

ORDER

16 Open Meeting
17 October 21 and 22, 2003
18 Phoenix, Arizona

19 **BY THE COMMISSION:**

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

22 **FINDINGS OF FACT**

23 1. On April 15, 2002, Global Internetworking, Inc ("Applicant" or "Global") filed with
24 the Commission an application for a Certificate of Convenience and Necessity ("Certificate") to
25 provide competitive resold interexchange telecommunications services, except local exchange
26 services, within the State of Arizona.

27 2. Applicant is a switchless reseller that purchases telecommunications services from a
28 variety of carriers for resale to its customers.

3. In Decision No. 58926 (December 22, 1994), the Commission found that resold
telecommunications providers ("resellers") are public service corporations subject to the jurisdiction
of the Commission.

4. Global has authority to transact business in the State of Arizona.

5. On March 24, 2003, Global filed an Affidavit of Publication indicating compliance
with the Commission's notice requirements.

1 6. On August 22, 2003, the Commission's Utilities Division Staff ("Staff") filed a Staff
2 Report in this matter, which includes Staff's fair value rate base determination in this matter and
3 recommends approval of the application subject to certain conditions.

4 7. In the Staff Report, Staff stated that Global provided financial statements for the
5 period ending May 31, 2003, which list assets of \$2.99 million, total equity of \$1.0 million, and a net
6 income of \$430,819.

7 8. In its Staff Report, Staff stated that based on information obtained from the Applicant,
8 it has determined that Global's fair value rate base ("FVRB") is zero. Staff has determined that
9 Applicant's FVRB is too small to be useful in a fair value analysis and is not useful in setting rates.
10 Staff further stated that in general, rates for competitive services are not set according to rate of return
11 regulation, but are heavily influenced by the market. Staff recommended that the Commission not set
12 rates for Global based on the fair value of its rate base.

13 9. Staff believes that Global has no market power and that the reasonableness of its rates
14 will be evaluated in a market with numerous competitors. In light of the competitive market in which
15 the Applicant will be providing its services, Staff believes that the rates in Applicant's proposed
16 tariffs for its competitive services will be just and reasonable, and recommends that the Commission
17 approve them.

18 10. Staff recommended approval of Global's application subject to the following:

19 (a) The Applicant should be ordered to comply with all Commission rules, orders,
20 and other requirements relevant to the provision of intrastate telecommunications
21 service;

22 (b) The Applicant should be ordered to maintain its accounts and records as
23 required by the Commission;

24 (c) The Applicant should be ordered to file with the Commission all financial and
25 other reports that the Commission may require, and in a form and at such times as the
26 Commission may designate;

27 (d) The Applicant should be ordered to maintain on file with the Commission all
28 current tariffs and rates, and any service standards that the Commission may require;

 (e) The Applicant should be ordered to comply with the Commission's rules and
modify its tariffs to conform to these rules if it is determined that there is a conflict

1 between the Applicant's tariffs and the Commission's rules;

2 (f) The Applicant should be ordered to cooperate with Commission investigations
3 of customer complaints;

4 (g) The Applicant should be ordered to participate in and contribute to a universal
5 service fund, as required by the Commission;

6 (h) The Applicant should be ordered to notify the Commission immediately upon
7 changes to the Applicant's address or telephone number;

8 (i) The Applicant's interexchange service offerings should be classified as
9 competitive pursuant to A.A.C. R14-2-1108;

10 (j) The Applicant's maximum rates should be the maximum rates proposed by the
11 Applicant in its proposed tariffs. The minimum rates for the Applicant's competitive
12 services should be the Applicant's total service long run incremental costs of
13 providing those services as set forth in A.A.C. R14-2-1109; and

14 (k) In the event that the Applicant states only one rate in its proposed tariff for a
15 competitive service, the rate stated should be the effective (actual) price to be charged
16 for the service as well as the service's maximum rate.

17 11. Staff further recommended that Global's Certificate should be conditioned upon the
18 Applicant filing conforming tariffs in accordance with this Decision within 365 days of the effective
19 date of this Decision, or 30 days prior to providing service, whichever comes first.

20 12. Based on Global's indication that it collects from its customers an advance, deposit,
21 and/or prepayment, Staff also recommended the following:

22 (a) that Global's Certificate should be conditioned upon the Applicant procuring a
23 performance bond as described below, and filing proof of that performance bond
24 within 365 days from the date of an Order in this matter, or 30 days prior to providing
25 service, whichever comes first;

26 (b) that Global be required to procure a performance bond in the initial amount of
27 \$10,000, with the minimum bond amount of \$10,000 to be increased if at any time it
28 would be insufficient to cover all advances, deposits, or prepayments collected from
its customers, in the following manner: The bond amount should be increased in
increments of \$5,000, with such increases to occur whenever the total amount of the
advances, deposits, and prepayments reaches a level within \$1,000 under the actual
bond amount; and

(c) that, if at some time in the future, Global does not collect from its customers
any advances, prepayments or deposits, that Global should be allowed to file with the
Commission a request for cancellation of its established performance bond. Staff
stated that after Staff review of such filing, Staff would forward its recommendation

66452

1 on the matter to the Commission for a Decision.

2 13. Staff recommended that if the Applicant fails to meet the timeframes outlined in
3 Findings of Fact Nos. 11 and 12, that Global's Certificate should become null and void without
4 further Order of the Commission, and that no time extensions for compliance should be granted.

5 14. The rates proposed by this filing are for competitive services.

6 15. Staff's recommendations as set forth herein are reasonable.

7 16. Global's fair value rate base is zero.

8 **CONCLUSIONS OF LAW**

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

11 2. The Commission has jurisdiction over Applicant and the subject matter of the
12 application.

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

14 4. Applicant's provision of resold interexchange telecommunications services is in the
15 public interest.

16 5. Applicant is a fit and proper entity to receive a Certificate as conditioned herein for
17 providing competitive resold interexchange telecommunications services in Arizona.

18 6. Staff's recommendations in Findings of Fact Nos. 8, 9, 10, 11, 12, and 13 should be
19 adopted.

20 7. Global's fair value rate base is not useful in determining just and reasonable rates for
21 the competitive services it proposes to provide to Arizona customers.

22 8. Global's rates, as they appear in its proposed tariffs, are just and reasonable and
23 should be approved.

24 **ORDER**

25 IT IS THEREFORE ORDERED that the application of Global Internetworking, Inc. for a
26 Certificate of Convenience and Necessity for authority to provide competitive resold interexchange
27 telecommunications services, except local exchange services, is hereby granted, conditioned upon its
28 compliance with the conditions recommended by Staff as set forth in Findings of Fact Nos. 10, 11

1 and 12 above.

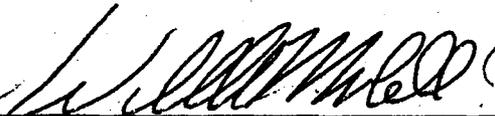
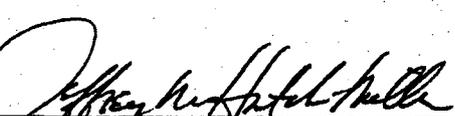
2 IT IS FURTHER ORDERED that Staff's recommendations set forth in Findings of Fact Nos.
3 8, 9, 10, 11, 12, and 13 above are hereby adopted.

4 IT IS FURTHER ORDERED that Global Internetworking shall comply with the adopted
5 Staff recommendations as set forth in Findings of Fact Nos. 10, 11, and 12 above.

6 IT IS FURTHER ORDERED that if Global Internetworking, Inc. fails to meet the timeframes
7 outlined in Findings of Fact Nos. 11 and 12 above, that the Certificate conditionally granted herein
8 shall become null and void without further Order of the Commission.

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

10 BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

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12   
13 CHAIRMAN COMMISSIONER COMMISSIONER

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15  
16 COMMISSIONER COMMISSIONER

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18 IN WITNESS WHEREOF, I, BRIAN C. McNEIL, Executive
19 Secretary of the Arizona Corporation Commission, have
20 hereunto set my hand and caused the official seal of the
21 Commission to be affixed at the Capitol, in the City of Phoenix,
22 this 24th day of October, 2003.

23 
24 BRIAN C. McNEIL
25 EXECUTIVE SECRETARY

26 DISSENT _____

27 DISSENT _____
28 AP:mj

1 SERVICE LIST FOR: GLOBAL INTERNETWORKING, INC.

2 DOCKET NO.: T-04105A-02-0281

3

4 Patrick D. Crocker
5 Early, Lennon, Crocker & Barotsiewicz, PLC
6 900 Comerica Building
7 Kalamazoo, MI 49007-4752

8 Christopher Kempley, Chief Counsel
9 Legal Division
10 ARIZONA CORPORATION COMMISSION
11 1200 West Washington Street
12 Phoenix, Arizona 85007

13 Ernest G. Johnson, Director
14 Utilities Division
15 ARIZONA CORPORATION COMMISSION
16 1200 West Washington Street
17 Phoenix, Arizona 85007

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66452

EXHIBIT B

John Bostwick's Email

FW Global Internerworking Inc. - Tariff PDC 111505.txt

From: Patrick Crocker
Sent: Tuesday, November 15, 2005 10:22 AM
To: Paula Schneider
Subject: FW: Global Internerworking, Inc. - Tariff

-----Original Message-----

From: John Bostwick [mailto:JBostwick@azcc.gov]
Sent: Monday, November 14, 2005 5:54 PM
To: Patrick Crocker
Cc: John Bostwick; LMiller@azcc.com
Subject: Global Internerworking, Inc. - Tariff

Decision No.66452 dated October 24, 2003. Tariff due October 24, 2004. Tariff received November 2, 2005. Tariff received late by more than a year. According to Decision No. 66452, CC&N is " null and void".

This footnote confirms that this email message
has been scanned to detect malicious content.

If you experience problems, please contact
postmaster@azcc.gov

EXHIBIT C

Commission issued an Order administratively closing the docket on March 22, 2006

1 **BEFORE THE ARIZONA CO**

Arizona Corporation Commission

2 **COMMISSIONERS**

JEFF HATCH-MILLER - Chairman

3 WILLIAM A. MUNDELL

4 MARC SPITZER

MIKE GLEASON

5 KRISTIN K. MAYES

DOCKETED

JUN 08 2006

DOCKETED BY



6 IN THE MATTER OF THE) DOCKET NO. T-04105A-05-0810
7 APPLICATION OF GLOBAL)
8 INTERNETWORKING, INC. FOR) ADMINISTRATIVE CLOSURE
9 APPROVAL OF A WAIVER OF THE)
10 FILING OF THE PERFORMANCE) NUMBER 68761
BOND REQUIREMENT AS)
ORDERED IN DECISION 66452.)

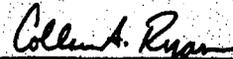
11 On November 2, 2005, Global Internetworking, Inc. filed with the Arizona Corporation
12 Commission a request for a waiver of the performance bond that was ordered in Decision No.
13 66452. On March 17, 2006, Staff filed a memorandum indicating that the attorney for the
applicant had informed them that the Company no longer wishes to proceed with the application.
Staff recommended that this docket be administratively closed.

14 Per the Procedural Order issued on March 22, 2006, by Amy Bjelland, Administrative Law Judge,
15 Staff's recommendation is reasonable and this docket should be administratively closed.
16 Therefore, this docket is administratively closed.

17 An Administrative Closure Number has been assigned to this matter which officially closes the
18 docket. This is not a signed order of the Commission and is for record keeping purposes
only.

19 If you have any questions regarding this matter, please contact me at (602) 542-3477.

20 Administrative Closure Number issued
21 On this 8th day of June 2006.

22 

23 Colleen A. Ryan
24 Docket Administrator
25 Hearing Division
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A copy of the foregoing Administrative Closure was mailed to the following by the Docket Control Center on June 8, 2006.

Patrick D. Crocker
Early, Lennon, Crocker & Bartosiewicz, P.L. C.
900 Comerica Building
Kalamazoo, Michigan 49007

Ernest G. Johnson, Director
Utilities Division
1200 West Washington
Phoenix, Arizona 85007

Chris Kempley, Chief Legal Counsel
Legal Division
1200 West Washington
Phoenix, Arizona 85007

Lyn Farmer - A.C.C. Chief Hearing Officer
Hearing Division
1200 West Washington
Phoenix, Arizona 85007

By: *Chandra Legendre*

EXHIBIT D

Correspondence dated August 16, 2007

EARLY, LENNON, CROCKER & BARTOSIEWICZ, P.L.C.

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(1912 - 2004)
VINCENT T. EARLY
(1922 - 2001)
JOSEPH J. BURGIE
(1926 - 1992)

August 16, 2007

Arizona Corporation Commission
Utilities Division
1200 West Washington Street, Suite 206
Phoenix, Arizona 85007

RE: Global Internetworking, Inc.
C-000000A-07-(0430)

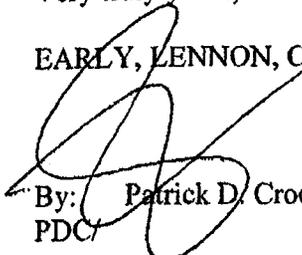
Dear Sir:

We are the attorneys for Global Internetworking, Inc. ("GII"). In T-04105A-02-0281, the Commission granted GII a Certificate of Convenience and Necessity ("CCN"). We were advised in 2005 that we could not file a compliance tariff as the GII CCN was null and void. However, we now have been advised that the Compliance Section of the Commission believes the GII CCN is active. Further, that GII may be added to an Order to Show Cause for failing to make compliance filings. GII is not providing intrastate service in Arizona. Accordingly, we respectfully request that the Commission cancel GII's CCN nunc pro tunc effective October 25, 2004, and remove GII from this Show Cause Proceeding.

Thank you in advance for your assistance in this regard. Please let me know if you have any questions or concerns.

Very truly yours,

EARLY, LENNON, CROCKER & BARTOSIEWICZ, PLC

By:  Patrick D. Crocker
PDC

Cc: Renee Delafuente
John Bostwick
Kimberly Baltista