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MEMORANDUM

TO: Docket Control
FROM: Ernest G. Johnson
Director
Utilities Division

EA for EGJ

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2008 JAN -9 P 2:47

AZ COR. COMMISSION
DOCKET CONTROL

DATE: January 9, 2008

RE: IN THE MATTER OF THE APPLICATION OF TELECOM RESOURCES, INC. TO REQUEST IMMEDIATE CANCELLATION OF ITS CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE COMPETITIVE LOCAL EXCHANGE AND RESOLD LONG DISTANCE TELECOMMUNICATIONS SERVICES. (DOCKET NO. T-03542A-07-0637)

Attached is the Staff Report for the above referenced application. The applicant is applying for approval to cancel its Certificate of Convenience and Necessity ("CC&N") to provide the following services:

- Resold Local Exchange Telecommunications Services
- Resold Long Distance Telecommunications Services

Staff recommends cancellation of the CC&N.

EGJ:MD:tdp

Originator: Melvin de la Cruz

Arizona Corporation Commission
DOCKETED
JAN 9 2008

DOCKETED BY

STAFF REPORT
UTILITIES DIVISION
ARIZONA CORPORATION COMMISSION

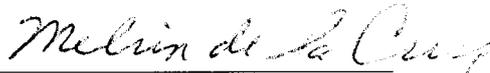
TELECOM RESOURCES, INC.
DOCKET NO. T-03542A-07-0637

IN THE MATTER OF THE APPLICATION OF TELECOM RESOURCES, INC. TO
REQUEST IMMEDIATE CANCELLATION OF ITS CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE COMPETITIVE LOCAL EXCHANGE AND RESOLD
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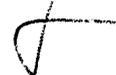
JANUARY 2008

STAFF ACKNOWLEDGEMENT

The Staff Report for the application of Telecom Resources, Inc., Docket No. T-0354A-07-0637, for approval to cancel its Certificate of Convenience and Necessity to provide competitive resold local exchange service and resold long distance exchange service within the State of Arizona was the responsibility of the staff member listed below. Melvin de la Cruz was responsible for the review and analysis of the application to cancel competitive resold local exchange service and resold long distance exchange service within the State of Arizona.



Melvin de la Cruz
Public Utilities Analyst IV



INTRODUCTION

On November 8, 2007, Telecom Resources, Inc. ("TRI") filed an application to cancel its Certificate of Convenience and Necessity ("CC&N") to provide competitive resold long distance and resold local exchange telecommunications services within the State of Arizona.

BACKGROUND

On October 8, 1998, in Decision No. 61172, the Commission granted TRI a CC&N to provide competitive resold local and resold long distance exchange telecommunications services within the state of Arizona. TRI requests Commission approval to discontinue its authority to provide competitive private line services and cancel its CC&N.

STAFF ANALYSIS

TRI filed an application to cancel its CC&N on November 8, 2007, stating that the company never initiated resold local or resold long distance telecommunications service in the State of Arizona. Staff received a signed statement from TRI's regulatory consultant verifying this claim. Furthermore, TRI does not serve any aspect of the telecommunications market in Arizona. TRI has not collected any advanced payments, deposits, and/or prepayments. Staff therefore believes there will be no service or economic risk associated with the cancellation of TRI's CC&N. Decision No. 61172, which granted TRI's CC&N, did not require a bond.

Consumer Services Staff has indicated that from January 1, 2004 to current, there have been no complaints, inquiries, or opinions filed for TRI. TRI is not in good standing because TRI's 2007 Annual Report was returned by the Corporation Commission due to this application to cancel its CC&N and also because TRI failed to sign the Annual Report.

TRI has no affected customers to notify.

RECOMMENDATIONS

Since there are numerous other Competitive Local Exchange Carriers ("CLECs") offering local exchange service and TRI does not currently have nor has ever had any local exchange service customers in Arizona, Staff recommends that TRI's application to cancel its CC&N for resold local and resold long distance exchange telecommunications services within the State of Arizona be approved.

Although TRI has not requested a waiver in this application, Staff recommends that requirements in A.A.C. R-14-2-1107 for companies intending to discontinue or abandon service be waived since TRI did not provide resold local or resold long distance telecommunications services since receiving its CC&N authority.

SERVICE LIST FOR: Telecom Resources, Inc.
DOCKET NO.: T-04229A-07-0642

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