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ARIZONA CORPORATION COMMISSION

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MEMORANDUM

AZ CORP COMMISSION
DOCKET CONTROL

TO: Docket Control
Arizona Corporation Commission

FROM: Ernest G. Johnson *EA for EGJ*
Director
Utilities Division

DATE: October 20, 2008

RE: Docket No. C-00000A-08-0182

Arizona Corporation Commission

DOCKETED

OCT 20 2008

DOCKETED BY

On April 1, 2008, Staff filed a Complaint against various utilities for failure to file the 2006 Utilities Division Annual Report. On May 16, 2008, the Commission issued Decision No. 70346, a Complaint and Order to Show Cause ("Complaint" or "OSC") against the remaining Companies. On August 28, 2008, the Hearing Division conducted a pre-hearing conference and directed Staff to file an update in this docket prior to the hearing.

The following companies have recently filed their 2006 Utilities Division Annual Report with the Commission. Therefore, Staff recommends that these utilities be dismissed from the Complaint and Order to Show Cause.

T-02972A Syufy Enterprises/Century Theatres
T-03822A Freedomstarr Communications, Inc.
T-04064A Randy Heinsohn

The following companies have filed to cancel their Certificate of Convenience and Necessity ("CCN") with the Commission. Therefore, Staff recommends that these utilities be dismissed from the Complaint and Order to Show Cause.

W-01849A Mobile Water Company

Staff has researched the status of the remaining sixteen (16) companies and provides the following update to the docket.

- **(T-04097A) ACCXX Communications, LLC** - Per Mr. Michael Conway, the Company was sold to Telrite Corporation in 2004. Telrite Corporation is in good standing with the Commission.

Staff recommends the cancellation of the CCN for ACCXX Communications, LLC.

- **(T-03600A) AllCom USA dba AllCom / AllCom International** – The Company did not comply with the original Decision No. 64069 granting its CCN. The Company failed to file the required Fair Value Rate Base (“FVRB”) information within 18 months of the date it first provided service. The Company is not in good standing with the Corporations Division of the Commission for failure to file annual reports since 2005 and failure to maintain a statutory agent. Staff was unable to find current information for the Company.

Staff recommends the cancellation of the CCN for AllCom USA dba AllCom / AllCom International.

- **(W-01558A) Crown King Water Company, Inc.** – The Company previously lost its CCN for failure to file its annual reports. There are no annual reports on record for this Company with the Commission. Staff spoke with Ms. Phyllis Barney regarding the reports. Ms. Barney stated that the Company would file their report by August 25th. Staff has since contacted Ms. Barney and advised her of the upcoming hearing and of the expectation for the filing of the annual reports. Staff notes that an Order to Show Cause docket is still open (04-0850). Staff has sought to find an Interim Manager to take over the system but has been unsuccessful. ADEQ has determined that the system is delivering water that meets the water quality standards.

Staff recommends that if the Company fails to file its annual report before the open meeting on this docket, the Company be assessed a fine or other penalties as the Commission deems fit.

- **(W-02271A) Green Acres Water Company** – Staff spoke with Mr. Melvin Swenson, owner of the Company. Mr. Swenson advised that report’s delinquency is due to personal medical reasons. He stated that his accountant is working on the report now and anticipates sending the report by 10/24/2008.

Staff recommends that if the Company fails to file its annual report before the open meeting on this docket, the Company be assessed a fine and have its CCN revoked or other penalties as the Commission deems fit.

- **(W-02077A) Hopeville Water Company, Inc.** – Staff spoke with Mr. Louis Early, owner of the Company, and he advised that he thought the report had already been submitted 2 or 3 times. However, Mr. Early stated that he will contact the person that handles the annual reports & will call back with an anticipated date or when it was submitted before.

Staff recommends that if the Company fails to file its annual report before the open meeting on this docket, the Company be assessed a fine and have its CCN revoked or other penalties as the Commission deems fit.

- **(T-04095A) Infonet Telecommunications Corporation** – Staff spoke with Mr. Steve Mashal with the company. Mr. Mashal stated that Infonet has had no transactions since 2005. Mr. Mashal stated that the Company sent a letter trying to withdraw in all States.

Staff recommends the cancellation of the CCN for Infonet Telecommunications Corporation.

- **(T-03303A) Martin N. Mohamed dba Desert Telecom** – Staff spoke with Mr. Martin Mohamed. He stated that he thought they already sent them in and would fax them over to us. The Company has yet to send in the annual reports. According to the last annual report on file in 2005, the Company operated 14 pay telephones in Yuma, Arizona.

Staff recommends that if the Company fails to file its annual report before the open meeting on this docket, the Company be assessed a fine and have its CCN revoked or other penalties as the Commission deems fit.

- **(W-02504A) Meadow Water Company** – The Company previously lost its CCN for failure to file its annual reports. Staff has researched multiple avenues to find current information for this Company without success. The last known filing was a 1993 rate case. The Company only served 6 customers and was not required to report to the Arizona Department of Environmental Quality. Staff is continuing to look into the status of the Company to determine if it still exists.

Staff would like to hold off on a recommendation until further information can be gathered in regards to Meadow Water Company.

- **(W-02164A) Morristown Water Company** – The Company previously lost its CCN for failure to file its annual reports. Staff contacted Mr. Joe Walworth of the Company who referred us to Mr. Jim Koning. Mr. Koning stated that he thought that the report had already been submitted but would check and get back with us. Staff has not received the report as of this date. The Company is not in good standing with the Corporations Division of the Commission for failure to file annual reports since 2005 and failure to maintain a statutory agent.

Staff recommends that if the Company fails to file its annual report before the open meeting on this docket, the Company be assessed a fine or other penalties as the Commission deems fit.

- **(T-04054A) National Telephone Company, LLC** – Staff received notice from the Company that it no longer has any payphones. Staff attempted to get the Company to file to cancel its CCN but the Company did not make such a filing.

Staff recommends the cancellation of the CCN for National Telephone Company, LLC.

- **(T-03583A) Preferred Carrier Services, Inc. dba Phones For All / Telefonos Para Todos** – The Company did not comply with the original Decision No. 66517 which granted its CCN. Staff has been unable to reach the Company regarding its status. The Company is not in good standing with the Corporation's Division for failure to file its annual reports.

Staff recommends the cancellation of the CCN for Preferred Carrier Services, Inc. dba Phones For All / Telefonos Para Todos.

- **(T-04193A) R2C Communications, Inc.** – Staff has been unable to reach the Company regarding its status. The Company is not in good standing with the Corporation's Division for failure to file its annual reports.

Staff recommends the cancellation of the CCN for R2C Communications, Inc.

- **(W-01407A) Strawberry Water Company** – Staff contacted Mr. Albert Hunt who advised he would send the report to the Commission before the hearing date of 10/21/2008.

Staff recommends that if the Company fails to file its annual report before the open meeting on this docket, the Company be assessed a fine and have its CCN revoked or other penalties as the Commission deems fit.

- **(T-03402A) TransAmerican Telephone, Inc.** – Staff notes that the Company did not comply with the original Decision No. 61604 which granted the CCN. The Company failed to file the required performance bond. Staff contacted a representative of the Company who indicated that the Company is not providing service in Arizona.

Staff recommends the cancellation of the CCN for TransAmerican Telephone, Inc.

- **(T-20425A) V-Global Communications, LLC** – Staff has been unable to reach the Company regarding its status. The Company is in good standing with the Corporation's Division.

Staff recommends that if the Company fails to file its annual report before the open meeting on this docket, the Company be assessed a fine and have its CCN revoked or other penalties as the Commission deems fit.

- **(W-01084A) William P. Farr dba Salome Water Company** – The Company has lost its CCN & has been fined multiple times by the Commission for failure to file its annual reports. The Company has never provided an annual report to the Commission. The Arizona Department of Environmental Quality has determined that Salome Water Company is delivering water that meets water quality standards.

Staff recommends that if the Company fails to file its annual report before the open meeting on this docket, the Company be assessed a fine or other penalties as the Commission deems fit.

Originator: Kimberly Battista

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Hopeville Water Company, Inc.
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Morristown Water Company
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Morristown, AZ 85342

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