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BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission

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DEC 23 2009

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COMMISSIONERS

- KRISTIN K. MAYES, Chairman
- GARY PIERCE
- PAUL NEWMAN
- SANDRA D. KENNEDY
- BOB STUMP

IN THE MATTER OF THE APPLICATION OF NETWORK PTS, INC., FOR THE CANCELLATION OF ITS CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE ALTERNATIVE OPERATOR SERVICES.

DOCKET NO. T-04223A-08-0188

DECISION NO. 71439

ORDER

Open Meeting
December 15 and 16, 2009
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. Network PTS, Inc., ("Network" or "Company") has a Certificate of Convenience and Necessity ("Certificate") to provide alternative operator services within Arizona pursuant to Decision No. 66889 (April 6, 2004).
2. On April 8, 2008, the Company filed with the Commission an application for cancellation of its Certificate ("Application"). Network stated that it no longer provides service in Arizona and currently has no customers in Arizona.
3. On August 28, 2009, Network filed an Affidavit averring that, as of the filing date of the Application, the Company had no customers in Arizona.
4. On October 28, 2009, Staff filed its Staff Report recommending approval of Network's Application.
5. According to Network, it ceased operations in December 2008. Further, Staff stated that Network never had any presubscribed customers and all of its pay telephone customers in

1 Arizona had selected other operator service providers. Staff verified with the Company that it did not
2 collect advances, deposits and/or prepayments from its former customers.

3 6. The Commission's Consumer Services Section of the Commission's Utilities Division
4 reported that Network had one complaint in 2006, but in 2007 through June 25, 2009, there were no
5 other customer complaints, inquiries or opinions against the Company. Additionally, Staff noted that
6 its review of the compliance database indicates Network has no compliance delinquencies.

7 7. Staff stated that Network's authority to do business in Arizona was revoked on April
8 8, 2009, for failure to file its Annual Report with the Corporations Division.

9 8. The Company did not comply with the terms of A.A.C. R-14-2-1107, requiring the
10 Company to provide notice to customers of its discontinuation of service, a plan for the refund of
11 deposits, a list of alternate providers, and to publish notice of the application. However, Staff
12 asserted that, because the Company did not have any customers in Arizona at the time Network's
13 Application was filed, the provisions of A.A.C. R-14-2-1107 should be waived.

14 9. As discussed in Decision No. 67404 (November 2, 2004), it would render A.A.C.
15 R14-2-1107 meaningless and would run afoul of the rule's intent and plain language to exempt a
16 Company from the requirements of the rule because it has no customers due to its discontinuation of
17 service. However, as discussed in that Decision, the intent of the rule is to ensure that existing
18 customers have advance notice of a telecommunications provider's pending plan to discontinue
19 service such that they will be afforded an opportunity to procure service through an alternative
20 provider prior to such discontinuance.

21 10. The Company has no Arizona customers and did not collect any advances, deposits
22 and/or prepayments. Under these circumstances, the requirements of A.A.C. R-14-2-1107 should be
23 waived.

24 11. Staff recommends approval of Network's Application and cancellation of the
25 Company's Certificate and its Arizona Tariff No. 1 on file with the Commission.

26 12. Staff's recommendations are reasonable and should be adopted.

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CONCLUSIONS OF LAW

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

4 2. The Commission has jurisdiction over the Company and the subject matter of the
5 Application.

6 3. The cancellation of the Company's Certificate is in the public interest.

7 4. Pursuant to A.R.S. § 40-282, the Commission may issue decisions regarding
8 Certificates of Convenience and Necessity for certain telecommunication services without a hearing.

9 5. The requirements of A.A.C. R14-2-1107 should be waived in this case.

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

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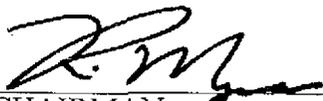
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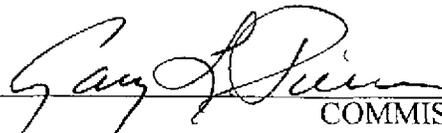
IT IS THEREFORE ORDERED that the Application of Network PTS, Inc., for the cancellation of its Certificate of Convenience and Necessity to provide alternative operator services in Arizona is hereby approved and its Certificate of Convenience and Necessity is cancelled.

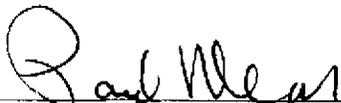
IT IS FURTHER ORDERED that Network PTS, Inc.'s Arizona Tariff No. 1 is hereby cancelled.

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

BY ORDER OF THE ARIZONA CORPORATION COMMISSION.


CHAIRMAN


COMMISSIONER


COMMISSIONER


COMMISSIONER


COMMISSIONER

IN WITNESS WHEREOF, I, ERNEST G. JOHNSON, Executive Director of the Arizona Corporation Commission, have hereunto set my hand and caused the official seal of the Commission to be affixed at the Capitol, in the City of Phoenix, this 23rd day of December 2009.


ERNEST G. JOHNSON
EXECUTIVE DIRECTOR

DISSENT _____

DISSENT _____

1 SERVICE LIST FOR: NETWORK PTS, INC.

2 DOCKET NO.: T-04223A-08-0188

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