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WILLIAM A. MUNDELL  
Chairman  
JIM IRVIN  
Commissioner  
MARC SPITZER  
Commissioner

ARIZONA CORPORATION COMMISSION

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AZ CORP COMMISSION  
DOCUMENT CONTROL

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UTILITIES DIVISION STAFF,  
  
COMPLAINANT  
  
VS  
  
NUMEROUS UTILITIES,  
  
RESPONDENTS.

DOCKET NO. C-00000A-02-0671

NOTICE OF FILING

Staff of the Utilities Division of the Arizona Corporation Commission ("Staff") hereby provides notice of the filing of Exhibits S-1 through S-4. Staff discussed these exhibits at the hearing in this matter but inadvertently failed to move their admission.

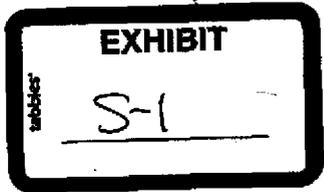
RESPECTFULLY SUBMITTED this 6<sup>th</sup> day of January 2003.

Timothy J. Sabo  
Attorney, Legal Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007  
(602) 542-3402

The original and thirteen (13) copies of the foregoing were filed this 6<sup>th</sup> day of January, 2003, with:

Docket Control  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

Viola R. Kizis, Secretary to  
Timothy J. Sabo



MEMORANDUM

TO: Docket Control

FROM: Carmen Madrid, Utilities Division

DATE: December 11, 2002

RE: UPDATED ANNUAL REPORT INFORMATION FOR DOCKET NO. C-00000A-02-0671

Group A is a list of companies that have filed for cancellation of its Certificate of Convenience and Necessity.

DOCKET NO	COMPANY NAME	docket no.	date filed
T-02911A	BUDDY'S BAR, INC.	T-02911A-02-0849	11/14/02
E-03791A	C 3 COMMUNICATIONS, INC.	E-03791A-02-0714	9/19/2002
T-03760A	CHERNOW COMMUNICATIONS, INC. d/b/a C-COM	T-03760A-02-0705	9/16/2002
T-03152A	CEO TELECOMMUNICATIONS INC.	T-03152A-02-0587	8/2/2002
T-03581A	COMPASS TELECOMMUNICATIONS, INC.	T-03581A-02-0708	9/17/2002
E-03704A	SCHLUMBERGERSEMA, INC.	E-03704A-02-0753	10/1/2002
T-03617A	TELECONCEPTS INTERNATIONAL, INC.	T-03617A-02-0710	9/18/2002
T-02970A	DUNPAT CORPORATION d/b/a UNOCAL MERMAID	T-02970A-02-0799	10/23/2002
T-03667A	VOICESTREAM PCS III CORPORATION f/k/a WESTERN PCS III CORPORATION d/b/a VOICE STREAM WIRELESS	T-03667A-02-0704	9/16/2002
T-03982A	NEIL LEIBMAN d/b/a ZMAIL MEDIA, INC.	T-03982A-02-0688	9/11/2002

Group B is a list of companies that have filed the Utility annual report.

DOCKET NO	COMPANY NAME	Date report filed
T-03871A	ALLIED RISER OF ARIZONA, INC.	9/25/2002
W-02258A	AMERICAN REALTY AND MORTGAGE CO., INC. a/k/a HACIENDA ACRES WATER SYSTEM	10/10/2002
T-02964A	ARIZONA PAYPHONE COMPANY	11/7/2002
W-02250A	ARIZONA WINDSONG REALTY, INC.	10/18/2002
T-03734A	BLACKSTONE COMMUNICATIONS COMPANY	9/24/2002
T-02911A	BUDDY'S BAR, INC.	10/21/2002
W-03655A	CACTUS-STELLAR LIMITED	9/20/2002
W-02721A	CARTER'S WATER COMPANY	10/3/2002
W-03868A	CITRUS PARK WATER CO., INC.	11/19/02
W-01868A	COCHISE WATER CO.	10/23/2002
W-01629A	CORONADO ESTATES WATER COMPANY	10/23/2002
W-02316A	JOHN A. McLAIN d/b/a CRYSTAL WATER COMPANY	10/23/2002

T-03303A	MARTIN A. MOHAMED d/b/a DESERT TELECOM	9/11/2002
T-03482A	DISCOUNT UTILITIES, LLC	9/18/2002
E-03614A	EASTERN COMPETITIVE SOLUTIONS, INC.	9/24/2002
W-02271A	GREEN ACRES WATER COMPANY	11/5/2002
W-02235A	HORSESHOE RANCH WATER COMPANY	10/23/2002
T-03378A	QAI, INC. d/b/a LONG DISTANCE BILLING	9/24/2002
T-03567A	METRACOM CORPORATION name changed to Lightyear Telecommunications (T-03723A)	7/18/2002
W-01646A	MIRACLE VALLEY WATER COMPANY, INC.	10/23/2002
W-02230A	TROY L. MANSKER & JOHNNY A. McLAIN d/b/a MUSTANG WATER COMPANY	10/23/2002
T-03335A	NORTH COUNTY COMMUNICATIONS CORPORATION	9/16/2002
T-03624A	PARAMOUNT INTERNATIONAL TELECOMMUNICATIONS d/b/a R NETWORK	9/11/2002
W-02003A	RILLITO WATER USERS ASS'N	10/1/2002
T-03794A	STARTEC GLOBAL LICENSING COMPANY	9/17/2002
W-02355A	HEART CAB CO., INC. d/b/a SULGER WATER COMPANY #2	9/27/2002
T-03949A	TCAST COMMUNICATIONS, INC.	10/25/2002
T-03262A	TELE-PRO INDEPENDENT CONTRACTORS, LLC	11/5/2002
T-03473A	TELEGLOBE USA INC.	9/16/2002
T-03363A	TELETRUST, INC.	9/18/2002
T-03719A	THE FREE NETWORK, L.L.C.	10/21/2002
W-02419A	TUBAC WATER COMPANY, INC.	10/4/2002

Group C are companies that have not filed the Utility annual report or for cancellation of its CC&N.

DOCKET NO	COMPANY NAME
T-03773A	@LINKS NETWORKS, INC.
T-03827A	2ND CENTURY COMMUNICATIONS
T-03771A	A.F.C.
T-03109A	ACOMM, INC.
T-03916A	ACTEL INTEGRATED COMMUNICATIONS, INC.
T-03124A	ACTIVETEL L.D., INC.
W-02473A	ANDERSON WATER COMPANY
W-02026A	BIDEGAIN WATER COMPANY
T-03729A	INTELCOM, INC. d/b/a BLEGBI, INC.
T-02783A	C&N LANDERS, INC. d/b/a BUGGY INN
T-03848A	AMERICALL, INC. d/b/a CALL SOLUTIONS, INC.
T-03429A	CALLS FOR LESS, INC. d/b/a CFL
T-03628A	CONVERGENT COMMUNICATIONS SERVICES, INC.
T-03189A	CORPORATE SERVICES TELCOM, INC.
T-03825A	CYBERSENTRY, INC.
T-03676A	CYBERTEL COMMUNICATIONS CORPORATION
W-03537A	NEW LIFE TRUST, INC. d/b/a DATELAND UTILITIES
T-03812A	EASTON TELECOM SERVICES, INC.
T-03139A	EQUALNET CORPORATION

T-03726A	ERBIA NETWORK, INC.
T-03111A	FEDERAL TRANSTEL, INC.
T-03593A	FIRSTWORLD COMMUNICATIONS, INC.
T-03377A	FREEDOM COMMUNICATIONS CORP.
T-02995A	GASLIGHT THEATRE
T-03730A	IG2, INC.
T-03649A	INET INTERACTIVE NETWORK SYSTEM, INC.
T-03895A	IPVOICE COMMUNICATIONS, INC.
T-03941A	JULIO C. TANAHE
T-03814A	LAUNDRY WORLD
T-03678A	LONG DISTANCE AMERICA, INC. d/b/a LDA
T-03883A	LOCAL GATEWAY EXCHANGE, INC.
T-03527A	MAH COMMUNICATIONS, INC.
T-03367A	MOMENTUM TELECOM, INC.
T-03238A	OMEGA TELECOMMUNICATIONS d/b/a OMEGA COM
T-03930A	TONY & SYLVIA VACA d/b/a PIRTLEVILLE GROCERY
T-03288A	KORY ROSENOW d/b/a PROGRESSIVE PAY PHONES
T-03768A	REFLEX COMMUNICATIONS, INC.
T-03921A	ROBERT & GINGER DEBENEDETTO
T-03739A	ROCKY MOUNTAIN BROADBAND, INC.
W-01084A	WILLIAM P. FARR d/b/a SALOME WATER COMPANY
W-02127A	ROBERT M. & JANICE E. GRIDLEY d/b/a SANTA CRUZ WATER COMPANY
T-03359A	SHARED COMMUNICATIONS SERVICES, INC. d/b/a SCS OF ARIZONA, INC.
W-02017A	SOUTHERN WATER CORPORATION
T-03104A	STARLINK COMMUNICATIONS, L.L.C.
W-02386A	SUN LEISURE ESTATES UTILITIES COMPANY, INC.
T-03390A	TELONE COMMUNICATIONS, INC. d/b/a TEL ONE, INC.
T-03840A	UKI COMMUNICATIONS, INC.
W-03211A	F. WAYNE THOMPSON & DORTHY THOMPSON d/b/a WEST VILLAGE WATER COMPANY
W-01982A	WHITE HILLS WATER CO., INC.
W-01983A	WHITE MOUNTAIN LAKE ESTATES, INC.
T-03023A	WINSTAR WIRELESS OF ARIZONA, INC. a/k/a WINSTAR WIRELESS, INC.

Bostwick

EXHIBIT  
S-2

MEMORANDUM

RECEIVED

TO: Docket Control

DEC 10 10 33 10

FROM: Ernest G. Johnson  
Director  
Utilities Division

DEC 10 10 33 10

DATE: December 10, 2002

RE: IN THE MATTER OF THE APPLICATIONS OF (I) CEO TELECOMMUNICATIONS, INC. FKA L. D. SERVICES, INC., COMPASS TELECOMMUNICATIONS, INC., CHERNOW COMMUNICATIONS DBA C-COM, AND A VOICESTREAM PCS III CORPORATION FKA WESTERN PCS III CORPORATION DBA VOICE STREAM WIRELESS FOR CANCELLATION OF THEIR CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE RESOLD INTEREXCHANGE SERVICES; (II) TELECONCEPTS INTERNATIONAL, INC., DUNPAT CORPORATION DBA UNOCAL MERMAID, AND MR. NEIL LEIBMAN DBA Z-MAIL, INC. FOR CANCELLATION OF THEIR CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE CUSTOMER OWNED PAY TELEPHONE SERVICES; AND (III) C<sup>3</sup> COMMUNICATIONS, INC. AND SCHLUMBERGERSEMA, INC. FOR CANCELLATION OF THEIR CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE COMPETITIVE RETAIL ELECTRIC SERVICES (DOCKET NOS. C-00000A-02-0671, T-03152A-02-0587, T-03581A-02-0708, T-03760A-02-0705, T-03667A-02-0704, T-03617A-02-0710, T-02970A-02-0799, T-03982A-02-0688, E-03791A-02-0714 AND E-03704A-02-0753)

X

Attached is the Staff Report of the above described applications to cancel Certificate of Convenience and Necessity ("CC&N") of companies in group (I) that provide resold long distance services; (II) that provide customer owned pay telephone services; and (III) that provide competitive retail electric services. Staff recommends cancellation of the CC&N held by each company in each group.

Originator: John Bostwick

Attachment: Original and Twenty Three Copies

ARIZONA CORPORATION  
COMMISSION

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DEC 11 2002

STAFF REPORT  
UTILITIES DIVISION  
ARIZONA CORPORATION COMMISSION

DOCKET NOS. C-00000A-02-0671, T-03152A-02-0587, T-03581A-02-0708, T-03760A-02-0705, T-03667A-02-0704, T-03617A-02-0710, T-02970A-02-0799, T-03982A-02-0688, E-03791A-02-0714 AND E-03704A-02-0753

IN THE MATTER OF THE APPLICATIONS OF (I) CEO TELECOMMUNICATIONS, INC. FKA L. D. SERVICES, INC., COMPASS TELECOMMUNICATIONS, INC., CHERNOW COMMUNICATIONS DBA C-COM, AND A VOICESTREAM PCS III CORPORATION FKA WESTERN PCS III CORPORATION DBA VOICE STREAM WIRELESS FOR CANCELLATION OF THEIR CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE RESOLD INTEREXCHANGE SERVICES; (II), TELECONCEPTS INTERNATIONAL, INC., DUNPAT CORPORATION DBA UNOCAL MERMAID, AND MR. NEIL LEIBMAN DBA Z-MAIL, INC. FOR CANCELLATION OF THEIR CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE CUSTOMER OWNED PAY TELEPHONE SERVICES; AND (III) C~~S~~ COMMUNICATIONS, INC. AND SCHLUMBERGERSEMA, INC. FOR CANCELLATION OF THEIR CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE COMPETITIVE RETAIL ELECTRIC SERVICES

X

DECEMBER 10, 2002

## STAFF ACKNOWLEDGMENT

The Staff Reports for the applications described in Docket No. C-00000A-02-0671 was the responsibility of the Staff member listed below. John Bostwick was responsible for the review and analysis of each company's application to cancel its Certificate of Convenience and Necessity in Docket Nos. T-03152A-02-0587, T-03581A-02-0708, T-03760A-02-0705, T-03667A-02-0704, T-03617A-02-0710, T-02970A-02-0799, T-03982A-02-0688, E-03791A-02-0714 and E-03704A-02-0753.

  
\_\_\_\_\_  
John Bostwick  
Administrative Services Officer II

## EXECUTIVE SUMMARY

IN GROUP (I) CEO TELECOMMUNICATIONS, INC. FKA L. D. SERVICES, INC., COMPASS TELECOMMUNICATIONS, INC., CHERNOW COMMUNICATIONS DBA C-COM, AND A VOICESTREAM PCS III CORPORATION FKA WESTERN PCS III CORPORATION DBA VOICE STREAM WIRELESS REQUESTS CANCELLATION OF THEIR CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE RESOLD INTEREXCHANGE SERVICES; (II), TELECONCEPTS INTERNATIONAL, INC., DUNPAT CORPORATION DBA UNOCAL MERMAID, AND MR. NEIL LEIBMAN DBA Z-MAIL, INC. REQUESTS CANCELLATION OF THEIR CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE CUSTOMER OWNED PAY TELEPHONE SERVICES; AND (III) CS COMMUNICATIONS, INC. AND SCHLUMBERGERSEMA, INC. REQUESTS CANCELLATION OF THEIR CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE COMPETITIVE RETAIL ELECTRIC SERVICES

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DOCKET NOS. C-00000A-02-0671, T-03152A-02-0587, T-03581A-02-0708, T-03760A-02-0705, T-03667A-02-0704, T-03617A-02-0710, T-02970A-02-0799, T-03982A-02-0688, E-03791A-02-0714 AND E-03704A-02-0753

- Company applications are in one of three groups. Companies in Group (I) are CEO Telecommunications, Inc. fka L. D. Services, Inc., Compass Telecommunications, Inc., Chernow Communications dba C-COM, and A VoiceStream PCS III Corporation fka Western PCS III Corporation dba Voice Stream Wireless. Companies in Group (II) are Teleconcepts International, Inc., Dunpat Corporation dba Unocal Mermaid, and Mr. Neil Leibman dba Z-Mail, Inc. Companies in Group (III) are CS Communications, Inc. and SchlumbergerSema, Inc.
- Each company in each group is requesting cancellation of its Certificate of Convenience and Necessity.
- Each company in each group is authorized to provide a competitive service in Arizona. Companies in Group (I) are authorized to provide resold interexchange telecommunications services. Companies in Group (II) are authorized to provide customer owned pay telephone services. Companies in Group (III) are authorized to provide competitive retail electric services.
- Each company in each group wants to discontinue service, abandon its authority, and revoke its tariffs in Arizona.

X

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## INTRODUCTION

On November 13, 2002, an Amended Procedural Order was issued under Docket No. C-00000A-02-0671. This order pointed out that on September 4, 2002, the Utilities Division of the Arizona Corporation Commission ("Commission") filed a Complaint for failure of numerous utility companies to file their 2001 Utilities Division Annual Reports ("Annual Reports").

By Procedural Order, a pre-hearing conference was held on November 7, 2002. At the pre-hearing conference, Staff appeared with counsel. None of the Respondents appeared. Staff pointed out that, nine Respondents had filed for cancellation of their Certificate of Convenience and Necessity ("CC&N"). These CC&N cancellation applications were filed before November 1, 2002.

At the conclusion of the pre-hearing conference, it was ordered that the applications of the nine Respondents requesting cancellation of their CC&N shall be consolidated for purposes of a hearing. The hearing shall be held on December 12, 2002 at 9:30 a.m. In addition, it was ordered that Staff shall file a report which contains its recommendations on the nine cancellation applications.

Staff's recommendations on each of the nine cancellation applications are submitted herein this report.

APPLICATION BY CEO TELECOMMUNICATIONS, INC. FKA L. D. SERVICES, INC. TO CANCEL ITS CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE RESOLD INTEREXCHANGE SERVICES (DOCKET NOS. T-03152A-02-0587 AND C-00000A-02-0671)

**Introduction**

On August 2, 2002, CEO Telecommunications, Inc. fka L. D. Services, Inc. ("CEO" or "Company") filed an application with the Commission requesting approval to cancel its Certificate of Convenience and Necessity ("CC&N").

**Background**

On November 25, 1997, the Commission, in Decision No. 60477, originally granted a CC&N to CEO to provide competitive resold interexchange telecommunications services in Arizona.

CEO filed an application with the Commission seeking approval to cancel its CC&N in Arizona. CEO requests Commission approval to discontinue providing resold interexchange telecommunications services, abandon its CC&N, and revoke its tariffs in Arizona. In its application, CEO stated that Legent Communications Corporation ("Legent") has acquired CEO's customer base and related non-tangible assets. Both Legent and CEO believe that the asset transfer does not require Commission approval pursuant to A.R.S. §40-285(c). The assets transfer pertains to non-tangible assets that are not useful or necessary in the performance of its duties to the public. Notice of the asset transfer was also filed in a joint application under Docket Nos. T-04084A-02-0551 and T-03152A-02-0551.

Legent was granted a CC&N to provide resold interexchange telecommunications services in Arizona on June 26, 2002, in Decision No. 64979.

**Staff Analysis**

CEO indicated to Staff that it provided written notice of Legent's customer base acquisition and assumption of responsibilities to CEO subscribers. In addition, CEO subscribers were notified that Legent will become their primary interexchange carrier, that subscribers will assume no cost associated with the transfer, and that subscribers retain the right to elect an alternative service provider if they do not wish to be served by Legent. Consumer Services Staff indicates that there are no complaints concerning refund of customer advances, deposits, and/or prepayments against CEO. As a result, there is very little risk that funds from Arizona customers would be lost by canceling CEO's CC&N. CEO is requesting approval of its customer base to be transferred to Legent in the event approval is deemed necessary by the Commission.

~~Since CEO provided notice to its customers, and there are numerous carriers that offer similar services, Staff believes that granting this application for cancellation of~~ X

Since CEO provided notice to its customers, and there are numerous carriers that offer similar services, Staff believes that granting this application for cancellation of CEO's CC&N is in the public interest. Also, Staff believes that CEO's request to transfer its customer base and related non-tangible assets to Legent should be granted by the Commission.

### **Recommendations**

Staff recommends cancellation of CEO's CC&N.

Staff further recommends that CEO's customer base and related non-tangible assets be transferred to Legent.

Upon obtaining approval to transfer CEO's customer base and related assets to Legent, Docket Nos. T-04084A-02-0551 and T-03152A-02-0551 should be closed.

Upon cancellation of its CC&N, CEO will no longer be authorized to provide competitive resold interexchange telecommunications services in Arizona and will no longer be subject to any of the requirements of Decision No. 60477.

APPLICATION BY COMPASS TELECOMMUNICATIONS, INC. TO  
CANCEL ITS CERTIFICATE OF CONVENIENCE AND NECESSITY TO  
PROVIDE RESOLD INTEREXCHANGE SERVICES (DOCKET NOS. T-  
03581A-02-0708 AND C-00000A-02-0671)

**Introduction**

On September 17, 2002, Compass Telecommunications, Inc. ("Compass" or "Company") filed an application with Commission requesting approval to cancel its Certificate of Convenience and Necessity ("CC&N").

**Background**

On November 2, 1999, the Commission, in Decision No. 62023, originally granted a CC&N to Compass to provide competitive resold interexchange telecommunications services in Arizona.

Compass filed an application with the Commission seeking approval to cancel its CC&N in Arizona. Compass requests Commission approval to discontinue providing resold interexchange telecommunications services, abandon its CC&N, and revoke its tariffs in Arizona. In its application, Compass stated that it has had no revenue since late in 2001 and it has no revenue base and no assets.

**Staff Analysis**

Compass indicated to Staff that it has been forced to discontinue business and is currently closed. Consumer Services Staff indicates that there are no complaints concerning refund of customer advances, deposits, and/or prepayments. As a result, there is very little risk that funds from Arizona customers would be lost by canceling Compass' CC&N. Compass has not served any customers in Arizona since late last year.

Since Compass is not serving customers in Arizona and there are numerous other carriers offering similar services, Staff believes that granting this application for cancellation of Compass' CC&N is in the public interest.

**Recommendations**

Staff recommends cancellation of Compass' CC&N.

Upon cancellation of its CC&N, Compass will no longer be authorized to provide competitive resold interexchange telecommunications services in Arizona and will no longer be subject to any of the requirements of Decision No. 62023.

APPLICATION BY CHERNOW COMMUNICATIONS DBA C-COM TO  
CANCEL ITS CERTIFICATE OF CONVENIENCE AND NECESSITY TO  
PROVIDE RESOLD INTEREXCHANGE SERVICES (DOCKET NOS. T-  
03760A-02-0705 AND C-00000A-02-0671)

**Introduction**

On September 16, 2002, Chernow Communications dba C-COM ("Chernow" or "Company") filed an application with the Commission requesting approval to cancel its Certificate of Convenience and Necessity ("CC&N").

**Background**

On June 30, 2000, the Commission, in Decision No. 62720, originally granted a CC&N to Chernow to provide competitive resold interexchange telecommunications services in Arizona.

Chernow filed an application with the Commission seeking approval to cancel its CC&N in Arizona. Chernow requests Commission approval to discontinue providing resold interexchange telecommunications services, abandon its CC&N, and revoke its tariffs in Arizona. In its application, Chernow stated that it ceased business on November 21, 2001, and is no longer providing service in the state of Arizona.

**Staff Analysis**

Chernow indicated to Staff that it ceased providing service in Arizona. Consumer Services Staff indicates that there are no complaints against Chernow. As a result, there is very little risk that an advance, deposit, and/or prepayment of funds from Arizona customers would be lost by canceling Chernow's CC&N. Chernow has not served any customers in Arizona in the past year.

Since Chernow is not serving customers in Arizona and there are numerous other carriers offering similar services, Staff believes that granting this application for cancellation of Chernow's CC&N is in the public interest.

**Recommendations**

Staff recommends cancellation of Chernow's CC&N.

Upon cancellation of its CC&N, Chernow will no longer be authorized to provide competitive resold interexchange telecommunications services in Arizona and will no longer be subject to any of the requirements of Decision No. 62720.

APPLICATION BY A VOICESTREAM PCS III CORPORATION FKA  
WESTERN PCS III CORPORATION DBA VOICE STREAM WIRELESS TO  
CANCEL ITS CERTIFICATE OF CONVENIENCE AND NECESSITY TO  
PROVIDE RESOLD INTEREXCHANGE SERVICES (DOCKET NOS. T-  
03667A-02-074 AND C-00000A-02-0671)

**Introduction**

On September 16, 2002, A VoiceStream PCS III Corporation fka Western PCS III Corporation dba Voice Stream Wireless ("VoiceStream" or "Company") filed an application with the Commission requesting approval to cancel its Certificate of Convenience and Necessity ("CC&N").

**Background**

On August 27, 1999, the Commission, in Decision No. 61920, originally granted a CC&N to VoiceStream to provide competitive resold interexchange telecommunications services in Arizona.

VoiceStream filed an application with the Commission seeking approval to cancel its CC&N in Arizona. VoiceStream requests Commission approval to discontinue providing resold interexchange telecommunications services, abandon its CC&N, and revoke its tariffs in Arizona. In its application, VoiceStream stated that it never conducted business and had zero revenues.

**Staff Analysis**

VoiceStream indicated to Staff that it never provided service in Arizona. Consequently, it does not hold any advances, deposits and/or prepayments. As a result, there are no funds from Arizona customers that would be at risk by cancellation of VoiceStream's CC&N. VoiceStream has never served any customers in Arizona.

Since VoiceStream has never served customers in Arizona and there are numerous other carriers offering similar services, Staff believes that granting this application for cancellation of VoiceStream's CC&N is in the public interest.

**Recommendations**

Staff recommends cancellation of VoiceStream's CC&N.

Upon cancellation of its CC&N, VoiceStream will no longer be authorized to provide competitive resold interexchange telecommunications services in Arizona and will no longer be subject to any of the requirements of Decision No. 61920.

APPLICATION BY TELECONCEPTS INTERNATIONAL, INC. TO CANCEL ITS CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE CUSTOMER OWNED PAY TELEPHONE SERVICES (DOCKET NOS. T-03617A-02-0710 AND C-00000A-02-0671)

On September 18, 2002, Teleconcepts International, Inc. ("Applicant") filed an application to cancel its Certificate of Convenience and Necessity ("CC&N") for a customer owned pay telephone ("COPT"). As a provider of COPT services, the Applicant does not collect from its customers an advance, deposit, and/or prepayments. The Applicant indicated in its application that it no longer provides COPT service in the State of Arizona. Therefore, Staff recommends that the Applicant's application be approved.

Staff confirmed that the Applicant is not requesting authority to sell its COPT assets. Also, Staff verified that the Applicant gives up its right to a hearing and to receive notice of a hearing date to cancel its CC&N.

Upon cancellation of its CC&N, Teleconcepts International, Inc. will not be authorized to provide COPT telecommunications services in Arizona and will not have to meet any of the requirements of Decision No. 61140.

APPLICATION BY DUNPAT CORPORATION DBA UNOCAL MERMAID  
TO CANCEL ITS CERTIFICATE OF CONVENIENCE AND NECESSITY TO  
PROVIDE CUSTOMER OWNED PAY TELEPHONE SERVICES (DOCKET  
NOS. T-02970A-02-0799 AND C-00000A-02-0671)

On October 23, 2002, Dunpat Corporation dba Unocal Mermaid ("Applicant") filed an application to cancel its Certificate of Convenience and Necessity ("CC&N") for a customer owned pay telephone ("COPT"). As a provider of COPT services, the Applicant does not collect from its customers an advance, deposit, and/or prepayments. The Applicant is requesting authority to sell its COPT assets.

Staff confirmed that the Applicant no longer provides COPT service in the State of Arizona and requests cancellation of its CC&N. Staff verified that the Applicant gave up its right to a hearing and to receive notice of a hearing date to cancel its CC&N. Also, the Applicant acknowledged that it is authorized to make the application for the cancellation of the CC&N.

According to the Applicant, the sale of COPT assets will be done after it receives approval from the Arizona Corporation Commission ("Commission"). Staff recommends that the Commission approve the sale of Applicant's COPT assets. A re-deployment of telephone assets helps to ensure telephone services can be made available to the general public.

Staff further recommends that the Applicant's application be approved. Upon cancellation of its CC&N, Dunpat Corporation dba Unocal Mermaid will not be authorized to provide COPT telecommunications services in Arizona and will not have to meet any of the requirements of Decision No. 59338.

APPLICATION BY MR. NEIL LEIBMAN DBA ZMAIL MEDIA, INC. TO  
CANCEL ITS CERTIFICATE OF CONVENIENCE AND NECESSITY TO  
PROVIDE CUSTOMER OWNED PAY TELEPHONE SERVICES (DOCKET  
NOS. T-03982A-02-0688 AND C-00000A-02-0671)

On September 11, 2002, Mr. Neil Leibman dba Zmail Media, Inc. ("Applicant") filed an application to cancel its Certificate of Convenience and Necessity ("CC&N") for a customer owned pay telephone ("COPT"). As a provider of COPT services, the Applicant does not collect from its customers an advance, deposit, and/or prepayments. The Applicant indicated in its application that it no longer provides COPT service in the State of Arizona. Therefore, Staff recommends that the Applicant's application be approved.

Staff confirmed that the Applicant sold its COPT assets to Affordable Telecommunications Technology dba ATT ("ATT"). According to the Applicant, ATT does not exist as a going concern. The Applicant did not comply with the Arizona Revised Statutes § 40-285. The Arizona Corporation Commission ("Commission") needs to approve the sale of COPT assets. Staff verified that the Applicant gave up its right to a hearing and to receive notice of a hearing date to cancel its CC&N. Also, the Applicant acknowledged that he is authorized to make the application for the cancellation of the CC&N.

Staff recommends that the Commission grant retroactive approval of the sale of Applicant's COPT assets. A re-deployment of telephone assets helps to ensure telephone services can be made available to the general public.

Staff further recommends that the Applicant's application be approved. Upon cancellation of its CC&N, Mr. Neil Leibman dba Zmail Media, Inc. will not be authorized to provide COPT telecommunications services in Arizona and will not have to meet any of the requirements of Decision No. 63428.

APPLICATIONS BY C<sup>3</sup>S COMMUNICATIONS, INC. AND  
SCHLUMBERGERSEMA, INC. TO CANCEL ITS CERTIFICATES OF  
CONVENIENCE AND NECESSITY TO PROVIDE COMPETITIVE  
RETAIL ELECTRIC SERVICES (DOCKET NOS. E-0391A-02-0714  
AND E-03704-02-0753 AND C-00000A-02-0671)

The Staff report recommending cancellation of the Certificate of Convenience and Necessity held by C<sup>3</sup>S Communications, Inc. was filed before the Procedural Order, Docket No. C-00000A-02-0671, was filed. The Staff report recommending cancellation of the Certificate of Convenience and Necessity held by SchlumbergerSema, Inc. was filed on November 15, 2002 shortly after the above Procedural Order was filed.

SERVICE LIST FOR: CEO TELECOMMUNICATIONS, INC. FKA L. D. SERVICES,  
INC., COMPASS TELECOMMUNICATIONS, INC., CHERNOW  
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CORPORATION FKA WESTERN PCS III CORPORATION DBA  
VOICE STREAM WIRELESS, TELECONCEPTS INTERNATIONAL,  
INC., DUNPAT CORPORATION DBA UNOCAL MERMAID, MR.  
NEIL LEIBMAN DBA Z-MAIL, INC., C~~3~~ COMMUNICATIONS, INC. X  
AND SCHLUMBERGERSEMA, INC.

DOCKET NOS.C-00000A-02-0671, T-03152A-02-0587, T-03581A-02-0708,T-03760A-  
02-0705, T-03667A-02-0704, T-03617A-02-0710, T-02970A-02-0799,T-  
03982A-02-0688, E-03791A-02-0714 AND E-03704A-02-0753

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Ms. Lyn Farmer  
Chief Administrative Law Judge  
Arizona Corporation Commission  
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Phoenix, Arizona 85007

EXHIBIT  
S-3

MEMORANDUM

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2002 OCT -7 P 4: 22

TO: Docket Control  
Arizona Corporation Commission

AZ CORP COMMISSION  
DOCUMENT CONTROL

FROM: Ernest G. Johnson  
Director  
Utilities Division

DATE: October 4, 2002

RE: IN THE MATTER OF THE APPLICATION OF C3 COMMUNICATIONS,  
INC. FOR CANCELLATION OF ITS CERTIFICATE OF CONVENIENCE  
AND NECESSITY. (DOCKET NO. E-03791A-02-0714)

Attached is the Staff Report for the above referenced application. Staff is recommending cancellation of the CC&N without a hearing.

Originator: Erinn Andreasen

Attachment: Original and Ten Copies

ARIZONA CORPORATION  
COMMISSION  
OCT 8 2002  
Director of Utilities

STAFF REPORT  
UTILITIES DIVISION  
ARIZONA CORPORATION COMMISSION

C3 COMMUNICATION, INC.  
DOCKET NO. E-03791A-02-0714

IN THE MATTER OF THE APPLICATION OF  
C3 COMMUNICATIONS, INC. FOR CANCELLATION OF ITS CERTIFICATE OF  
CONVENIENCE AND NECESSITY

October 1, 2002

## STAFF ACKNOWLEDGEMENT

The Staff Report for C3 Communications, Inc. application for a cancellation of its Certificate of Convenience and Necessity, Docket No. E-03791A-02-0714, was the responsibility of the Staff member listed below.



---

Erinn Andreasen  
Public Utilities Analyst

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Introduction:

On September 19, 2002, C3 Communications, Inc. ("C3") filed with the Commission an application requesting cancellation of its Certificate of Convenience and Necessity ("CC&N").

Background and Staff Analysis:

C3 was approved to offer competitive retail electric services in Arizona as an Electric Service Provider on April 14, 2000, in Decision No. 62444. C3 has indicated that it has not provided meter reading services in the state of Arizona since September 30, 2001, and does not plan on offering such services to Arizona customers at any time in the future. *C-3 has not collected deposits and/or prepayments from its customers.*

Since C3 does not currently provide retail services to Arizona customers, and does not plan to offer such services in the future, Staff believes that granting this application for cancellation of a CC&N is in the public interest.

Recommendations:

Staff recommends cancellation of C3 's CC&N.

Service List for: C3 Communications, Inc.  
Docket No. E-03791A-02-0714

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Erinn



MEMORANDUM RECEIVED

2002 NOV 15 P 1:53

TO: Docket Control  
Arizona Corporation Commission

AZ CORP COMMISSION  
DOCUMENT CONTROL

FROM: Ernest C. Johnson  
Director  
Utilities Division

DATE: November 8, 2002

RE: IN THE MATTER OF THE APPLICATION OF SCHLUMBERGERSEMA,  
INC. FOR CANCELLATION OF ITS CERTIFICATE OF CONVENIENCE  
AND NECESSITY. (DOCKET NO. E-03704A-02-0753 AND C-00000A-02-  
0671)

Attached is the Staff Report for the above referenced application. Staff is recommending cancellation of the CC&N without a hearing.

Originator: Erinn Andreasen

Attachment: Original and fifteen copies



Service List for: SchlumbergerSema, Inc.  
Docket Nos E-03704A-02-0753 and C-00000A-02-0671

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STAFF REPORT  
UTILITIES DIVISION  
ARIZONA CORPORATION COMMISSION

SCHLUMBERGERSEMA, INC.  
DOCKET NOS E-03704A-02-0753 AND C-00000A-02-0671

IN THE MATTER OF THE APPLICATION OF  
SCHLUMBERGERSEMA, INC. FOR CANCELLATION OF ITS CERTIFICATE OF  
CONVENIENCE AND NECESSITY

November 8, 2002

## STAFF ACKNOWLEDGEMENT

The Staff Report for SchlumbergerSema, Inc. application for a cancellation of its Certificate of Convenience and Necessity, Docket Nos E-03704A-02-0753 and C-00000A-02-0671, was the responsibility of the Staff member listed below.

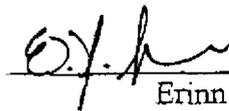
  
\_\_\_\_\_  
Erinn Andreasen  
Public Utilities Analyst

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Introduction:

On September 26, 2002, SchlumbergerSema, Inc. ("SchlumbergerSema") filed with the Commission an application requesting cancellation of its Certificate of Convenience and Necessity ("CC&N").

Background and Staff Analysis:

SchlumbergerSema was approved to offer competitive retail electric services in Arizona as an Electric Service Provider on August 5, 1999, in Decision No. 61869. SchlumbergerSema has indicated that it has not provided meter reading services in the state of Arizona since the year 2000, and does not plan on offering such services to Arizona customers at any time in the future. In addition, SchlumbergerSema has indicated that it has not accepted any deposits from customers or constructed any facilities in the State of Arizona.

Since SchlumbergerSema does not currently provide retail services to Arizona customers, and does not plan to offer such services in the future, Staff believes that granting this application for cancellation of SchlumbergerSema's CC&N is in the public interest.

Recommendations:

Staff recommends cancellation of SchlumbergerSema's CC&N.