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MEMORANDUM
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Arizona Corporation Commission
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TO: Docket Control

FROM: Steven M. Olea
Director
Utilities Division

DATE: July 24, 2010

RE: IN THE MATTER OF THE APPLICATION OF SYNIVERSE NETWORKS, INC.
FOR APPROVAL TO CANCEL THEIR CERTIFICATE OF CONVENIENCE AND
NECESSITY (DOCKET NO. T-04202A-10-0174)

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

- Competitive Resold Local Exchange Services

Staff recommends cancellation of the CC&N.

SMO:LLM:kdh

Originator: Lori L. Morrison

Attachment: Original and Thirteen Copies

Service List For: Syniverse Networks, Inc. dba Syniverse Technologies, Inc.
Docket No.: T-04202A-10-0174

Mr. Philip J. Roselli, Esq.
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dba Syniverse Technologies, Inc.
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STAFF REPORT
UTILITIES DIVISION
ARIZONA CORPORATION COMMISSION

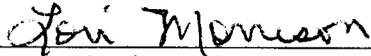
SYNIVERSE NETWORKS, INC. DBA SYNIVERSE TECHNOLOGIES, INC.
DOCKET NO. T-04202A-10-0174

IN THE MATTER OF THE APPLICATION OF SYNIVERSE NETWORKS, INC. D/B/A
SYNIVERSE TECHNOLOGIES, INC. FOR APPROVAL TO CANCEL THEIR
CERTIFICATE OF CONVENIENCE AND NECESSITY

JULY 24, 2010

STAFF ACKNOWLEDGEMENT

The Staff Report for the application of Syniverse Networks, Inc. dba Syniverse Technologies, Inc., Docket No. T-04202A-10-0174, for approval to cancel their Certificate of Convenience and Necessity was the responsibility of the staff member listed below. Lori Morrison was responsible for the review and analysis of the application.

A handwritten signature in black ink that reads "Lori Morrison". The signature is written in a cursive style and is positioned above a horizontal line.

Lori Morrison
Utilities Consultant

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Introduction

On May 5, 2010, Syniverse Networks, Inc. d/b/a Syniverse Technologies, Inc. ("Syniverse" or "Company") submitted an application to cancel its Certificate of Convenience and Necessity ("CC&N") to provide resold local exchange telecommunications within the State of Arizona. Syniverse also requests the cancellation its Arizona tariff. On May 28, 2010, Syniverse submitted an amended filing to correct statements about the provision of service in Arizona.

Background

On December 18, 2003, in Decision No. 66638, the Commission granted TSI Telecommunications Network Services, Inc. ("TSI") a CC&N to provide resold local exchange telecommunications services within the State of Arizona. On May 12, 2004, in Docket No. T-04202-04-0362, TSI filed a Notice of Corporate Name Change to Syniverse Networks, Inc., stating that "no other aspects of our business has changed" and filed a new tariff reflecting the Company's name change. On May 10, 2005, Syniverse filed a request to waive the performance bond requirement set forth in Decision No. 66638. Syniverse stated that it operated exclusively as a reseller of private line services for which contracts are entered into on an individual case basis and that it did not collect deposits from its customers. In Decision No. 68068, dated August 17, 2005, the Commission amended Decision No. 66638 to eliminate the requirement that Syniverse obtain a \$25,000 performance bond as a condition of being granted a Certificate of Convenience and Necessity to provide private line services in Arizona.

Staff's Analysis

In its May 28, 2010 amended filing, Syniverse states the request to cancel its CC&N is based on its business decision that it no longer intends to offer resold local exchange telecommunications services in Arizona. Syniverse states that it has not had any customers or operations in Arizona since July 2008 and currently serves no customers pursuant to its Arizona Certificate. The Company states that it has never collected advances, deposits, and/or prepayments from any customer in Arizona and does not have a currently effective bond in Arizona. Syniverse states the surrender of its CC&N and cancellation of its tariff will not affect any customer and requests a waiver of the notice requirements in Arizona Administrative Code (A.A.C.) R14-2-1107(A)(2)-(4) and (B) as there are no customers to notify. Syniverse states it has not provided legal notices of this cancellation to any counties or customers as there are no customers and thus, no customers have been transferred to other telecommunications carriers. Syniverse has no plan in place for the refund of customer deposits since it never collected deposits from customers. The Company has no affiliates currently offering telecommunications services in Arizona nor does it have any employees or facilities located in Arizona.

The Consumer Services Section of the Utilities Division reports that there have been zero (0) complaints, inquiries, or opinions filed for Syniverse. According to the Corporations Division, Syniverse is in good standing. Syniverse's 2009 annual report is currently on file with

the Commission. The Compliance Section reports that there are no current compliance delinquencies for Syniverse.

Recommendation

Syniverse is not currently providing resold local exchange telecommunications services to any telecommunications customers in Arizona, it never collected deposits, advances or prepayments from Arizona customers and it has no affiliates that provide telecommunications services in Arizona. As such, Staff recommends approval of Syniverse's request that the requirements of A.A.C. R14-2-1107(A)(2)-(4) and (B) be waived. Staff further recommends that Syniverse's CC&N to provide resold local exchange telecommunications services be cancelled. In addition, Staff recommends that the cancellation not become effective until a decision is issued by the Commission authorizing such cancellation. Upon cancellation of its CC&N, Syniverse will no longer be authorized to provide resold local exchange telecommunications services in Arizona. Therefore, Syniverse will no longer be subject to the requirements of Decision Nos. 66638 and 68068. In addition, Staff recommends approval of Syniverse's request to cancel and withdraw its Arizona tariff.