

ORIGINAL



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MEMORANDUM

TO: Docket Control Center

FROM: Steven M. Olea *E A for SMD*
Director
Utilities Division

DATE: September 3, 2010

RE: IN THE MATTER OF THE APPLICATION OF ADVANCED
TELEMANAGEMENT GROUP, INC. TO CANCEL ITS CERTIFICATE OF
CONVENIENCE AND NECESSITY (DOCKET NO. T-04152A-08-0243)

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 resold interexchange telecommunications services.

Staff recommends cancellation of the CC&N held by Advanced Telemanagement Group, Inc. dba ATG.

SMO:JFB:RED

Originator: John F. Bostwick

Attachment: Original and Thirteen Copies

Arizona Corporation Commission

DOCKETED

SEP 3 2010

DOCKETED BY	<i>[Signature]</i>
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SERVICE LIST FOR: ADVANCED TELEMAGEMENT GROUP, INC. DBA ATG
DOCKET NO. T-04152A-08-0243

Mr. Brian Maguire
Advanced Telemagement Group, Inc. dba ATG
542 Hopmeadow, Suite 173
Simsbury, Connecticut 06070

STAFF REPORT
UTILITIES DIVISION
ARIZONA CORPORATION COMMISSION

ADVANCED TELEMAGEMENT GROUP, INC. DBA ATG
DOCKET NO. T-04152A-08-0243

IN THE MATTER OF THE APPLICATION OF ADVANCED
TELEMAGEMENT GROUP, INC. TO CANCEL ITS CERTIFICATE
OF CONVENIENCE NECESSITY

SEPTEMBER 3, 2010

STAFF ACKNOWLEDGMENT

The Staff Report for Advanced Telemanagement Group, Inc. dba ATG Docket No. T-04152A-08-0243 was the responsibility of the Staff member listed below. John F. Bostwick was responsible for the review and analysis of Advanced Telemanagement Group, Inc. dba ATG's Application to cancel its Certificate of Convenience and Necessity.



John F. Bostwick
Administrative Services Officer II

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INTRODUCTION

On May 12, 2008, Advanced Telemanagement Group, Inc. dba ATG ("ATG" or "Company") submitted an Application to cancel its Certificate of Convenience and Necessity ("CC&N") to provide resold interexchange telecommunications services within the State of Arizona. Staff sent its Letter of Insufficiency and First Set of Data Requests to Brian C. Maguire, CFO (Chief Financial Officer) of ATG on June 26, 2008.

Staff's Letter of Insufficiency and First Set of Data Requests was returned to Staff on July 7, 2008. The returned envelope was marked and stamped "Attempted-Not Known". On July 17, 2008, Staff mailed the letter and its data requests to ATG's Statutory Agent of Record, CT Corporation System. On the same date, Staff was provided a new ATG address for ATG by Mr. Maguire. Staff mailed its Letter of Insufficiency and First Set of Data Requests to Mr. Maguire on July 21, 2008.

BACKGROUND

In Decision No. 66236, the Commission granted ATG a CC&N to provide resold interexchange telecommunications services within the State of Arizona on September 16, 2003. In Decision No. 66236, ATG was ordered to obtain a performance bond in the amount of \$10,000.

ATG's requirement to obtain a \$10,000 performance bond was eliminated by the Commission in Decision No. 66887, dated April 6, 2004. Pursuant to Decision No. 66887 ATG is not authorized to collect advance payments, deposits or prepayments from its customers.

STAFF'S ANALYSIS

ATG requested immediate cancellation of its CC&N. In its Application, ATG stated that it had discontinued operations as a reseller of long distance and that all of its customers have moved to other carriers. ATG does not serve any customers in Arizona or any other state.

On May 25, 2010, Staff was able to contact Mr. Maguire by telephone. As a result of its discussions with Mr. Maguire, Staff was able to obtain responses to its data requests.

According to Mr. Maguire, ATG provided services to only business customers and went out of business because ATG's operating margins were thin and the weak economy reduced ATG's revenues. Two of ATG's largest business customers, who accounted for more than a third of ATG's total annual revenue, were unable to pay ATG. Mr. Maguire stated that ATG informed each of its customers by telephone that it would cease providing telecommunications services in Arizona. Also, Mr. Maguire reported that ATG helped each

of its customers to select and transfer the customer's services to an alternative carrier or to a carrier selected by the customer.

Mr. Maguire told Staff that ATG served its last customer and stopped providing telecommunications services in Arizona in September 2007. On May 12, 2008, approximately seven and a half months after ATG stopped providing telecommunications services to customers in Arizona, ATG filed a request to cancel its CC&N. ATG did not file an Application to Discontinue or Abandon Local Exchange or Interexchange Services pursuant to A.A.C. R14-2-1107 because it did not have customers and did not provide telecommunications services. Since ATG informed their customers that it was going out of business and addressed its customers' service needs, Staff believes ATG should receive a waiver to the requirements of A.A.C. R14-2-1107. During Staff's telephone discussion with Mr. Maguire, Staff confirmed that ATG never collected advances, deposits or prepayments from its customers.

On February 3, 2005, ATG filed a request in Docket No. T-04152A-05-0071 to increase the payphone use surcharge in its Arizona CC Tariff No. 1. Docket No. T-04152A-05-0071 should be administratively closed and ATG's Arizona CC Tariff No. 1 related to providing resold interexchange telecommunications services should be cancelled.

Compliance and Enforcement Section of the Utilities Division has indicated that ATG does not have any delinquencies. The Consumer Services Section of the Utilities Division reports that there have been no complaints, inquiries, or opinions against ATG from January 1, 2005 through May 26, 2010. Also, Consumer Services reported that the Corporation Division of the Commission stated that ATG was Administratively Dissolved on December 30, 2009 for failure to file its annual report.

RECOMMENDATIONS

Since ATG has no customers and is not providing telecommunications services in Arizona, Staff recommends that the Commission waive the requirements of A.A.C. R14-2-1107. Staff recommends approval of ATG's Application to cancel its CC&N and recommends that ATG's Arizona CC Tariff No. 1 on file with the Commission be cancelled. Staff further recommends that the cancellation of ATG's CC&N and related tariff not become effective until a decision is issued by the Commission authorizing such cancellation. Upon cancellation of its CC&N, ATG will no longer be authorized to provide resold interexchange telecommunications services in Arizona and therefore, will no longer be subject to the requirements of Decision No. 66236. Finally, Staff recommends that Docket No. T-04152A-05-0071 be administratively closed.