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ORIGINAL

MEMORANDUM

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TO: Docket Control

FROM: Steven M. Olea
Director
Utilities Division

DATE: August 17, 2011

RE: IN THE MATTER OF THE APPLICATION OF D.D.D. CALLING, INC.
FOR APPROVAL TO CANCEL THEIR CERTIFICATE OF
CONVENIENCE AND NECESSITY (DOCKET NO. T-03221A-10-0516)

Attached is the Staff Report of the above Application to cancel the Certificate of Convenience and Necessity ("CC&N") held by D.D.D. Calling, Inc.

Staff recommends cancellation of the CC&N.

SMO:PJG:red

Originator: Pamela J. Genung

Arizona Corporation Commission
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AZ CORP COMMISSION
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SERVICE LIST FOR: D.D.D. Calling, Inc.
DOCKET NO. T-03221A-10-0516

Mr. Bruce Robin
D.D.D. Calling, Inc.
2400 Augusta Suite 255
Houston, Texas 77057

Mr. Steven M. Olea
Director, Utilities Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Ms. Janice Alward
Chief Counsel, Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Ms. Lyn Farmer
Chief Administrative Law Judge, Hearing Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

STAFF REPORT
UTILITIES DIVISION
ARIZONA CORPORATION COMMISSION

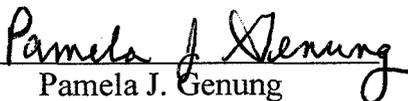
D.D.D. CALLING, INC.
DOCKET NO. T-03221A-10-0516

IN THE MATTER OF THE APPLICATION OF D.D.D. CALLING, INC. FOR
APPROVAL TO CANCEL THEIR CERTIFICATE OF CONVENIENCE AND
NECESSITY

AUGUST 17, 2011

STAFF ACKNOWLEDGMENT

The Staff Report for D.D.D. Calling, Inc., Docket No. T-03221A-10-0516, was the responsibility of the Staff member listed below. Pamela Genung was responsible for the review and analysis of D.D.D. Calling, Inc. Application to cancel its Certificate of Convenience and Necessity.



Pamela J. Genung
Public Utilities Analyst V

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INTRODUCTION

On December 29, 2010, D.D.D. Calling, Inc. ("DDD" or "Company") filed an Application to cancel its Certificate of Convenience and Necessity ("CC&N") to provide competitive resold long distance telecommunications services in Arizona.

BACKGROUND

On December 18, 1997, the Commission, in Decision No. 60524, granted DDD a CC&N to provide competitive resold long distance telecommunications services within the state of Arizona.

STAFF'S ANALYSIS

In its Application, DDD indicated that it does not have any customers in Arizona and does not anticipate marketing in Arizona in the foreseeable future. On January 13, 2011, Staff issued its First Set of Data Requests to DDD. On July 5, 2011, Staff received Responses to Staff's First Set of Data Requests. Staff also obtained information from Mr. Greg Honda stating that the Company has not provided telecommunications services to Arizona customers since 2009.

The Company indicated that it has never collected advances, deposits, and/or prepayments from any of its customers. DDD also stated that it does not have a performance bond or irrevocable sight draft Letter of Credit, nor does DDD have any employees or facilities in Arizona.

DDD indicated that it currently operates in the following states/jurisdictions: District of Columbia, Florida, Georgia, North Carolina, Texas, Virginia, and Washington. DDD also stated that its affiliate, RRV Enterprises, Inc. is currently offering telecommunications services in Arizona, pursuant to Decision No. 60530, dated December 18, 1997.

Pursuant to Arizona Administrative Code R14-2-1107(B), DDD is required to publish a legal notice of the Application in all counties affected by the Application. On July 7, 2011, DDD requested a waiver¹ of the legal notice requirement. DDD indicated that it has not published a legal notice because DDD has not provided service within the State of Arizona since 2009 and no customers would be affected.

The Compliance Section of the Utilities Division reports no delinquencies for DDD. The Consumer Services Section of the Utilities Division reports that there were no complaints or opinions filed against DDD from January 1, 2008 through July 6, 2011. Consumer Services also reports that DDD is not in Good Standing with the Corporations Division of the Commission due

¹ Email containing Data Request Response received by Staff on July 7, 2011 from Greg Honda on behalf of DDD Calling, Inc.

to DDD's request for withdrawal of its business license being in progress. The Corporations Division is awaiting the Company's filing of a Certificate of Compliance from the Arizona Department of Revenue verifying that taxes have been filed and paid. DDD is in the process of obtaining this information for the Corporations Division.

There are other carriers offering services similar to those previously provided by DDD. Therefore, Staff believes that approval of DDD's request to cancel its CC&N is in the public interest.

RECOMMENDATIONS

For the above stated reasons, Staff recommends approval of DDD Calling, Inc.'s Application to cancel its CC&N to provide competitive resold long distance telecommunications services in Arizona and a waiver of the legal notice requirement. 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, DDD will no longer be authorized to provide competitive resold long distance telecommunications services in Arizona and therefore, will no longer be subject to the requirements of Decision No. 60524. Staff further recommends the cancellation of DDD's tariff that is on file with this Commission.