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MEMORANDUM

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TO: Docket Control
FROM: Steven M. Olea
Director
Utilities Division
DATE: August 17, 2011

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EA for SMD
AZ CORPORATION COMMISSION
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Arizona Corporation Commission

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AUG 17 2011

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RE: **ADMINISTRATIVE CLOSURE - IN THE MATTER OF THE APPLICATION OF NETWORK US, INC. D/B/A CA AFFINITY FOR A CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE RESOLD LONG DISTANCE TELECOMMUNICATIONS SERVICES (DOCKET NO. T-04013A-02-0949)**

On October 8, 2002, Monica Borne Haab, Legal Representative of Nowalsky, Bronston, and Gotharl, filed on behalf of Network US, Inc. d/b/a CA Affinity ("Network") an Application for a Certificate of Convenience and Necessity to provide resold long distance telecommunications services in Arizona. On December 18, 2002, Staff received copies of notarized Affidavits of Publication that Network provided legal notice of its Application in all counties where it intended to provide telecommunication services.

Staff sent its First Set of Data Requests to Ms. Haab on March 5, 2003 and received responses to Staff's data requests on March 12, 2003. Network filed its financial statements for the year ending December 31, 2002 on March 31, 2003. A copy of Network's revised tariffs was docketed on March 25, 2004.

On February 17, 2006, Staff sent its Second Set of Data Requests to Ms. Haab. Ms. Haab acknowledged receipt of Staff's data requests on February 24, 2006.

Staff sent its Third Set of Data Requests to Ms. Haab on February 12, 2007. On March 22, 2007, Staff received responses to its Third Set of Data Requests from Becky Heggelund, Regulatory Specialist of Nowalsky, Bronston, and Gotharl. Responses to Staff's additional data requests were filed by Ms. Heggelund on April 3, 2007.

Network filed its annual report to the Utilities Division of the Commission for the years ending 2004 through 2008. According to its last annual report filed with the Utilities Division, Network provided long distance telecommunications services to Arizona business customers in 2008.

On August 3, 2009, Staff contacted Ms. Heggelund by telephone and requested Network's updated financial statements. Staff called Ms. Heggelund on March 12, 2010, and inquired about the financial statements and the status of Network's Application. On July 19, 2010, Staff was informed by Ms. Heggelund that she made numerous telephone calls and was not able to contact Network's Management of Record, Tara Rodriguez.

On twelve different dates from June 10, 2010 through July 27, 2010, Staff made a total of ten telephone calls, sent three e-mails and a fax message in its attempt to contact Ms. Rodriguez. On July 27, 2010, Staff spoke to Ms. Rodriguez who acknowledged that she received all Staff's telephone calls, e-mails, and fax message. She did not respond to Staff's messages because Network's owner was out of the country. Ms. Rodriguez stated that she would not answer any of Staff's questions until she spoke with Network's owner. She also stated that she will contact Staff after she talks to Network's owner.

Staff has made telephone calls to Ms. Rodriguez on March 1, 2011 and June 2, 2011. She has not returned Staff's telephone calls. On June 6, 2011, Staff sent its Fourth Set of Data Requests by certified mail, through Network's statutory agent, to Brian Sledz, President and half owner of Network. Network received Staff's data requests on June 9, 2011. Staff stated in its data requests that if Mr. Sledz does not respond within 30 days from the date of the letter, Staff will terminate Network's Application.

Consumer Services Section of the Utilities Division reports that there have been no complaints, inquiries, or opinion filed against Network from January 1, 1999 through July 6, 2011. In addition, Consumer Services stated that Network is not in good standing with the Corporations Division of the Commission. Network's authority to conduct business in Arizona was revoked on July 12, 2010.

Staff's data requests letter of June 6, 2011, was sent more than 30 days ago and neither Mr. Sledz nor anyone from Network has responded to Staff. As of this date, Staff has determined that the lack of a response indicates that Network does not intend to pursue this Application. Staff recommends that this docket be administratively closed. Administrative closure of this docket should not be construed as either approval or denial by the Commission.

SMO:JFB:tdp

Originator: John F. Bostwick

SERVICE LIST FOR: NETWORK US, INC. D/B/A CA AFFINITY
DOCKET NO.: T-04013A-02-0949

Brian Sledz
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