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MEMORANDUM
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TO: Docket Control
FROM: Steven M. Olea
Director
Utilities Division

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2011 OCT 26 @ 2:32
for
AZ CORP COMMISSION
DOCKET CONTROL

DATE: October 26, 2011

RE: IN THE MATTER OF THE APPLICATION OF MY TEL CO, INC. FOR APPROVAL TO CANCEL THEIR CERTIFICATE OF CONVENIENCE AND NECESSITY FOR TELECOMMUNICATION SERVICES (DOCKET NO. T-20486A-11-0341)

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 the following services:

- Resold Long Distance Services

Staff recommends cancellation of the CC&N.

SMO:AFF:red

Originator: Armando Fimbres

Attachment: Original and Thirteen Copies

Arizona Corporation Commission
DOCKETED

OCT 26 2011

DOCKETED BY	<i>[Signature]</i>
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SERVICE LIST FOR: MY TEL CO, INC.
DOCKET NO. T-20486A-11-0341

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STAFF REPORT
UTILITIES DIVISION
ARIZONA CORPORATION COMMISSION

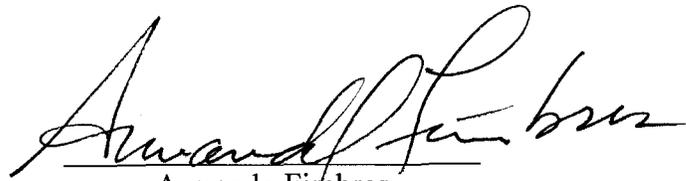
MY TEL CO, INC.
DOCKET NO. T-20486A-11-0341

IN THE MATTER OF THE APPLICATION OF MY TEL CO, INC. FOR APPROVAL TO
CANCEL THEIR CERTIFICATE OF CONVENIENCE AND NECESSITY FOR
TELECOMMUNICATION SERVICES

OCTOBER 26, 2011

STAFF ACKNOWLEDGEMENT

The Staff Report for the application of My Tel Co, Inc., Docket No. T-20486A-11-0341 for approval to cancel their Certificate of Convenience and Necessity to provide Resold Long Distance was the responsibility of the Staff member listed below. Armando Fimbres was responsible for the review and analysis of the application.

A handwritten signature in black ink, appearing to read "Armando Fimbres", written in a cursive style. The signature is positioned above a horizontal line.

Armando Fimbres
Public Utility Analyst V

INTRODUCTION

On September 12, 2011, My Tel Co, Inc. ("MTC") filed an application to cancel its Certificate of Convenience and Necessity ("CC&N") to provide Resold Long Distance within Arizona. MTC is authorized to provide resold long distance telecommunications services to customers in Arizona pursuant to Decision No. 71224, dated August 8, 2009.

BACKGROUND

On May 1, 2011, MTC filed a voluntary petition for protection under Chapter 11 of the United States Bankruptcy Code in the Middle District of Florida, Case Number 6: 11-bk-06496. On July 14, 2011, the bankruptcy court approved an Asset Purchase Agreement between Birch Communications Inc. and MTC.

MTC was issued a CC&N to provide facilities based local exchange and resold long distance services, in Decision No. 71224, dated August 6, 2009. In December 2009, MTC filed an application to cancel its CC&N to provide local exchange service. The cancellation of MTC's local exchange authority was approved by Decision No. 71705, dated June 3, 2010. Pursuant to Decision No. 71705, MTC's authority to provide resold long distance remains in effect until further order of the Commission.

STAFF'S ANALYSIS

For a competitive local exchange carrier ("CLEC") to discontinue or abandon local exchange or interexchange services, A.A.C. R14-2-1107.A requires that customers be notified and that a plan be developed for the refund of customer deposits that may have been collected. In its application, MTC states that MTC has never served any customers in Arizona. Staff requested that the applicant file an affidavit to that affect. MTC provided the affidavit on September 20, 2011.

RECOMMENDATIONS

MTC has affirmed that it has never served Arizona customers and is not holding customer deposits. Staff, therefore, recommends a waiver of A.A.C. R14-2-1107 which requires a certificated telecommunications company to provide a plan for the refund of deposits and to publish notice of the application prior to cancellation of its Certificate Staff recommends approval of MTC's application to cancel its CC&N to provide Resold Long Distance Service within Arizona. In addition, Staff recommends that the cancellation not become effective until a decision is issued by the Commission authorizing such cancellation.