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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

Arizona Corporation Commission

DOCKETED

- GARY PIERCE - Chairman
- BOB STUMP
- SANDRA D. KENNEDY
- PAUL NEWMAN
- BRENDA BURNS

OCT - 4 2012

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

DOCKET NO. T-03313A-11-0354

DECISION NO. 73516

ORDER

Open Meeting
 September 19 and 20, 2012
 Phoenix, Arizona

BY THE COMMISSION:

* * * * *

Having considered the entire record herein and being fully advised in the premises, the Arizona Corporation Commission ("Commission") finds, concludes, and orders that:

FINDINGS OF FACT

1. On September 20, 2011, Telco Partners, Inc. ("Telco" or "Company") filed with the Arizona Corporation Commission ("Commission") an application to cancel its Certificate of Convenience and Necessity ("CC&N") to provide competitive resold long distance telecommunications services within the State of Arizona.¹

2. Telco's application and subsequent response to the Commission's Utilities Division ("Staff") Data Request indicates that Telco currently has no customers in Arizona; that Telco no longer intends to retain authority in Arizona; that pursuant to its tariffs on file with the Commission Telco collected no advances, deposits, or prepayments from Arizona customers; that Telco has no employees, facilities, or assets in Arizona; that Telco has no affiliates offering telecommunications services in Arizona; and that Telco ceased all operations in Arizona and in all other states where

¹ In Decision No. 64010 (September 4, 2001), Telco was granted a CC&N to provide competitive resold interexchange telecommunications services, except local exchange services, within the State of Arizona.

1 Telco provided telecommunications services effective June 17, 2011.

2 3. Telco states that its operations abruptly ended on June 17, 2011, and the termination
3 by Telco's billing company leaves Telco without the financial ability to incur the expense of
4 publication as required by Arizona Administrative Code ("A.A.C.") R14-2-1107(B). A.A.C R14-2-
5 1107(B) requires a telecommunication company to publish legal notice of an application to
6 discontinue or abandon local exchange or interexchange services in all counties affected by the
7 application. Telco indicates that it is without adequate funds to bear the expense of publication and
8 therefore, Telco requests a waiver of the legal notice requirements set forth in R14-2-1107(B).

9 4. On August 21, 2012, Staff filed a Memorandum in response to Telco's application to
10 cancel its CC&N. Staff states that there are no Commission Utilities Division delinquencies for
11 Telco; that no complaints, inquiries or opinions were filed against Telco from January 1, 2008,
12 through August 15, 2012; and that Telco is in good standing with the Commission's Corporations
13 Division. Further, Staff indicates there are other carriers offering similar services to those previously
14 provided by Telco and therefore, Staff believes that approval of Telco's application is in the public
15 interest.

16 5. Staff recommends approval of Telco's application to cancel its CC&N; waiver of the
17 legal notice requirements contained in A.A.C. R14-2-1107(B); and cancellation of Telco's tariffs on
18 file with the Commission. Staff further recommends that the cancellation of Telco's CC&N should
19 not become effective until a Decision is issued by the Commission.

20 6. A.A.C. R14-2-1107 requires a telecommunication company providing competitive
21 telecommunications services in Arizona to file an application for authorization with the Commission
22 before it discontinues service. The rule also requires the telecommunication company to verify that
23 its affected customers have been notified of the proposed discontinuance of service, to plan for the
24 refund of any deposits collected, to file with the Commission a list of alternate utilities providing the
25 same or similar service within the affected geographic area, and to publish legal notice of the
26 application to discontinue service. In Decision No. 67404 (November 2, 2004) the Commission
27 stated that it would render A.A.C. R14-2-1107 meaningless and would run afoul of the rule's intent
28 and plain language to exempt an applicant from the requirement of the rule simply because the

1 applicant is no longer providing service in Arizona. Here, Telco has stated that it stopped serving
2 Arizona customers on June 17, 2011; that it never collected advances, deposits, or prepayments from
3 its customers; and that it is without the financial resources to publish legal notice of its
4 discontinuation of service. Further, Staff has stated that there are other carriers offering services
5 similar to those previously provided by Telco in Arizona. Due to the passage of time between when
6 Telco ceased providing service in Arizona and the likelihood that any prior Telco customers have
7 sought and obtained services from other providers offering similar services, requiring Telco to
8 comply with the provisions of A.A.C. R14-2-1107 serves no practical purpose. Therefore, we will
9 adopt Staff's recommendations, as set forth herein.

10 **CONCLUSIONS OF LAW**

- 11 1. Telco Partners, Inc., is a public service corporation within the meaning of Article XV
12 of the Arizona Constitution and A.R.S. §§ 40-281 and 40-282.
- 13 2. The Commission has jurisdiction over Telco Partners, Inc., and the subject matter of
14 the application to cancel the Company's CC&N.
- 15 3. The cancellation of Telco Partners, Inc.'s., CC&N is in the public interest.
- 16 4. Under the circumstances presented in this docket, waiver of A.A.C. R14-2-1107(B) is
17 appropriate.
- 18 5. Staff's recommendations are reasonable and should be adopted.

19 **ORDER**

20 IT IS THEREFORE ORDERED that the application of Telco Partners, Inc., for the
21 cancellation of its Certificate of Convenience and Necessity to provide competitive resold long
22 distance telecommunications services in Arizona is hereby approved.

23 IT IS FURTHER ORDERED that Telco Partners, Inc., is hereby granted a waiver of the
24 notice requirements contained in A.A.C. R14-2-1107.

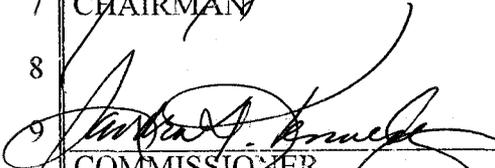
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1 IT IS FURTHER ORDERED that the tariffs on file with the Commission for Telco Partner,
2 Inc., shall be immediately cancelled upon the effective date of this Decision.

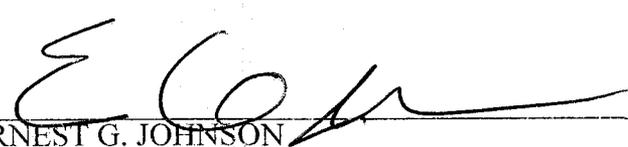
3 IT IS FURTHER ORDERED that this Decision shall become effective immediately.

4 BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

5
6  CHAIRMAN  COMMISSIONER

8
9  COMMISSIONER  COMMISSIONER  COMMISSIONER

10
11 IN WITNESS WHEREOF, I, ERNEST G. JOHNSON,
12 Executive Director of the Arizona Corporation Commission,
13 have hereunto set my hand and caused the official seal of the
14 Commission to be affixed at the Capitol, in the City of Phoenix,
15 this 4th day of October, 2012.

16 
17 ERNEST G. JOHNSON
18 EXECUTIVE DIRECTOR

19 DISSENT _____

20
21 DISSENT _____
22 YBK:db

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1 SERVICE LIST FOR: TELCO PARTNERS, INC.

2 DOCKET NO.: T-03313A-11-0354

3 Patrick Crocker
4 CROCKER & CROCKER
5 107 West Michigan Avenue, 4th Floor
6 Kalamazoo, MI 49007

7 Janet Alward, Chief Counsel
8 Legal Division
9 ARIZONA CORPORATION COMMISSION
10 1200 West Washington Street
11 Phoenix, AZ 85007

12 Steven M. Olea, Director
13 Utilities Division
14 ARIZONA CORPORATION COMMISSION
15 1200 West Washington Street
16 Phoenix, AZ 85007

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