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BEFORE THE ARIZONA CORPORATION COMMISSION

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ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

Arizona Corporation Commission

DOCKETED

FEB 27 2013

DOCKETED BY

IN THE MATTER OF THE APPLICATION OF SPECTROTEL, INC. DBA ONETOUCH COMMUNICATIONS DBA TOUCH BASE COMMUNICATIONS FOR APPROVAL OF A CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE RESOLD LONG DISTANCE, FACILITIES-BASED LOCAL EXCHANGE AND SWITCHED ACCESS TELECOMMUNICATION SERVICES IN ARIZONA.

DOCKET NO. T-20821A-11-0385

PROCEDURAL ORDER

BY THE COMMISSION:

On October 18, 2011, Spectrotel, Inc. dba OneTouch Communications dba Touch Base Communications ("Spectrotel" or "Company" or "Applicant") filed with the Arizona Corporation Commission ("Commission") an application for approval of a Certificate of Convenience and Necessity ("CC&N") to provide resold long distance, facilities-based local exchange, and switched access telecommunication services within the State of Arizona. Spectrotel's application also requested a determination that its proposed services are competitive in Arizona.

On November 16, 2011, Spectrotel filed a supplement to its application.

On September 14, 2012, the Commission's Utilities Division ("Staff") filed a Staff Report recommending approval of Spectrotel's application subject to certain conditions.

On October 4, 2012, by Procedural Order, a hearing was scheduled for December 14, 2012, and other filing deadlines were established. The Procedural Order also directed Spectrotel to publish notice of its application and the hearing date by November 5, 2012.

On October 31, 2012, Spectrotel filed an Affidavit of Publication showing that notice of Spectrotel's application and the hearing date had been published in the *Arizona Republic*, a newspaper of general circulation, on October 19, 2012.

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2 On December 14, 2012, a hearing was held as scheduled before a duly authorized
3 Administrative Law Judge of the Commission. Spectrotel and Staff appeared through counsel and
4 presented testimony and evidence. During the hearing, Spectrotel requested to amend its application
5 to only provide resold local exchange and resold long distance in Arizona. Staff had no objections to
6 the Company's request to amend its requested authority. At the conclusion of the hearing, the
7 Company and Staff were directed to file late-filed exhibits.

8 On December 14, 2012, Staff filed a Notice of Filing, which contained two Orders issued by
9 the Federal Communications Commission ("FCC") involving Spectrotel.

10 On December 20, 2012, Spectrotel filed a Post-Hearing Brief and Clarification of Authority
11 Requested ("Brief"). The Brief states that during the hearing Spectrotel amended its request for
12 authority to only provide resold local exchange and resold long distance services. However, subsequent to
13 the hearing, Spectrotel determined that it would "resell" CenturyLink's local exchange service in two
14 ways by: 1) reselling all of CenturyLink's services, (which entails buying service from CenturyLink at a
15 wholesale discount); and 2) obtaining from CenturyLink Unbundled Network Element – Platform
16 ("UNE-P") products. The Brief states that the Company believes providing local exchange service using
17 UNE-P requires, under Commission policy, that the Company have facilities-based local exchange
18 authority. Therefore, Spectrotel now requests authority to provide facilities-based local exchange, resold
19 local exchange, resold long distance, and switched access services. The Brief states that Spectrotel
20 recognizes that its performance bond or irrevocable sight draft letter of credit ("ISDLC") requirement
21 would be \$135,000 under its amended request. The Company's Brief states that Staff is in agreement with
22 the bond requirement.

23 Spectrotel's Brief discusses the Company's plan to provide resold local exchange services to
24 Arizona customers using CenturyLink's UNE-P products. It is unclear whether Staff's analysis of the
25 Company's application included a review of this proposed service. Therefore, it is appropriate for Staff to
26 file a response with recommendations addressing the Company's assertions related to its proposed UNE-
27 P service, and calculation of the performance bond or ISDLC requirement for the proposed services, as
28 well as any additional Staff recommendations related to the Company's request for authority.

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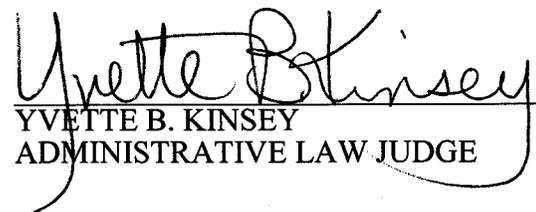
IT IS THEREFORE ORDERED that Staff shall file, by **March 15, 2013**, a response to Spectrotel's current request to provide facilities-based local exchange, resold local exchange, resold long distance, and switched access telecommunications services in Arizona. Staff's response shall include recommendations that address the Company's proposed plans to provide UNE-P services in Arizona, and calculation of the performance bond or irrevocable sight draft letter of credit for the requested services, as well as any additional Staff recommendations related to the Company's proposed services.

IT IS FURTHER ORDERED that Spectrotel, Inc. may file, by **March 25, 2013**, a reply to Staff's response.

IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113 - Unauthorized Communications) applies to this proceeding and shall remain in effect until the Commission's Decision in this matter is final and non-appealable.

IT IS FURTHER ORDERED that the Presiding Officer may rescind, alter, amend, or waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

Dated this 27th day of February, 2013.


YVETTE B. KINSEY
ADMINISTRATIVE LAW JUDGE

Copies of the foregoing mailed/delivered this 27th day of February, 2013 to:

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