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OPEN MEETING

MEMORANDUM

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Arizona Corporation Commission

2014 APR 11 P 3:49

TO: THE COMMISSION

DOCKETED

FROM: Utilities Division

APR 11 2014

AZ CORP COMMISSION
DOCKET CONTROL

DATE: April 11, 2014

DOCKETED BY

ORIGINAL

RE: IN THE MATTER OF THE APPLICATION OF DISHNET WIRELINE L.L.C. FOR APPROVAL FOR RESCISSION OF BOND REQUIREMENT CONTAINED IN DECISION NO. 72496. (DOCKET NO. T-20752A-14-0067)

Introduction

On February 27, 2014, dishNET Wireline, L.L.C. ("dishNET" or "Applicant") submitted an Application requesting an order rescinding the \$135,000 performance bond or irrevocable sight draft letter of credit ("ISDLOC") requirement contained in Decision No. 72496 (July 25, 2011). In its Application, dishNET states it provides local and long distance telecommunications services, broadband internet access and satellite television services to residential customers in Arizona. dishNET's Arizona Corporation Commission ("ACC" or "Commission") Tariff No. 3, Original Sheet No. 42, indicates it does not require advance payments or deposits from its customers.

Background

On July 25, 2011, in Decision No. 72496, the Commission granted dishNET a Certificate of Convenience and Necessity to provide resold long distance and resold and facilities-based local exchange telecommunications services within the State of Arizona, provided dishNET complies with conditions outlined in the Decision.

dishNet's Application

In its Application to eliminate the performance bond or ISDLOC requirement, dishNet cites Arizona Administrative Code ("A.A.C.") R14-2-1105(d), which states that "[i]n appropriate circumstances, the Commission may require, as a precondition to certification, the procurement of a performance bond sufficient to cover any advances or deposits the telecommunications company may collect from its customers, or order that such advances or deposits be held in escrow or trust."

dishNET has maintained a performance bond for \$135,000 on file with the Commission since the issuance of Decision No. 72496 and the current performance bond is scheduled to auto-renew on May 12, 2014. As outlined in the performance bond, it can be cancelled upon request made by dishNet to the Surety with 30 days' notice to the ACC.

Complaints and Compliance

The Consumer Services Section of the Utilities Division reports that there have been no complaints, inquiries, or opinions about dishNET Wireline, L.L.C. for the period of January 1, 2011

to March 7, 2014. According to the Corporations Division, dishNET is in good standing. The Compliance Section reports that dishNET is in compliance.

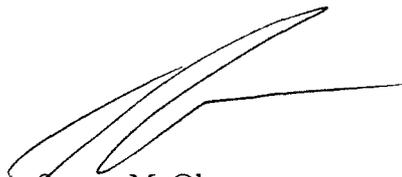
Staff Recommendations

The Commission has, in appropriate circumstances, relieved telecommunications providers of the obligation to maintain a performance bond or ISDLOC. Staff recommends that dishNET Wireline, L.L.C. be allowed to cancel its \$135,000 performance bond.

Staff further recommends that dishNET no longer be required to maintain a performance bond or ISDLOC as a requirement for providing resold long distance and resold and facilities-based local exchange telecommunications services within the State of Arizona.

dishNet has communicated to Staff that upon approval of this Application, the performance bond should be returned to the following name and address:

William P. Hunt
Director, Regulatory
dishNET Wireline L.L.C.
9601 S. Meridian Blvd
Englewood, CO 80112



Steven M. Olea
Director
Utilities Division

SMO:LLM:sms\CHH

ORIGINATOR: Lori L. Morrison

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BEFORE THE ARIZONA CORPORATION COMMISSION

BOB STUMP
Chairman
GARY PIERCE
Commissioner
BRENDA BURNS
Commissioner
BOB BURNS
Commissioner
SUSAN BITTER SMITH
Commissioner

IN THE MATTER OF THE APPLICATION
OF DISHNET WIRELINE L.L.C. FOR
APPROVAL FOR RESCISSION OF BOND
REQUIREMENT CONTAINED IN
DECISION NO. 72496.

DOCKET NO. T-20752A-14-0067
DECISION NO. _____
ORDER

Open Meeting
May 13 and 14, 2014
Phoenix, Arizona

BY THE COMMISSION:

FINDINGS OF FACT

1. On February 27, 2014, dishNET Wireline, L.L.C. ("dishNET" or "Applicant") submitted an Application requesting an order rescinding the \$135,000 performance bond or irrevocable sight draft letter of credit ("ISDLOC") requirement contained in Decision No. 72496 (July 25, 2011).

2. In its Application, dishNET states it provides local and long distance telecommunications services, broadband internet access and satellite television services to residential customers in Arizona.

3. dishNET's Arizona Corporation Commission ("ACC" or "Commission") Tariff No. 3, Original Sheet No. 42 indicates it does not require advance payments and deposits from its customers.

Background

4. On July 25, 2011, in Decision No. 72496, the Commission granted dishNET a Certificate of Convenience and Necessity to provide resold long distance and resold and facilities-based local

...

1 exchange telecommunications services within the State of Arizona, provided dishNET complies with
2 conditions outlined in the Decision.

3 **dishNET's Application**

4 5. In its Application to eliminate the performance bond or ISDLOC
5 requirement, dishNet cites Arizona Administrative Code ("A.A.C.") R14-2-1105(d), which states that
6 "[i]n appropriate circumstances, the Commission may require, as a precondition to certification, the
7 procurement of a performance bond sufficient to cover any advances or deposits the
8 telecommunications company may collect from its customers, or order that such advances or deposits
9 be held in escrow or trust."

10 6. dishNET has maintained a performance bond for \$135,000 on file with the Commission
11 since the issuance of Decision No. 72496 and the current performance bond is scheduled to auto-
12 renew on May 12, 2014. As outlined in the performance bond, it can be cancelled upon request made
13 by dishNET to the Surety with 30 days' notice to the ACC.

14 **Complaints and Compliance**

15 7. The Consumer Services Section of the Utilities Division reports that there have been no
16 complaints, inquiries, or opinions about dishNET Wireline, L.L.C. for the period of January 1, 2011 to
17 March 7, 2014. According to the Corporations Division, dishNET is in good standing. The
18 Compliance Section reports that dishNET is in compliance.

19 **Staff Recommendations**

20 8. The Commission has, in appropriate circumstances, relieved telecommunications
21 providers of the obligation to maintain a performance bond or ISDLOC.

22 9. Staff recommends that dishNET Wireline, L.L.C. be allowed to cancel its \$135,000
23 performance bond.

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1 IT IS FURTHER ORDERED that the dishNET Wireline, L.L.C. performance bond be
2 returned to the following name and address provided by the Applicant:

3 William P. Hunt
4 Director, Regulatory
5 dishNET Wireline, L.L.C.
6 9601 S. Meridian Blvd
7 Englewood, CO 80112

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

9 **BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION**

10 CHAIRMAN

COMMISSIONER

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12 COMMISSIONER

COMMISSIONER

COMMISSIONER

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14 IN WITNESS WHEREOF, I, JODI JERICH, Executive
15 Director of the Arizona Corporation Commission, have
16 hereunto, set my hand and caused the official seal of this
17 Commission to be affixed at the Capitol, in the City of
18 Phoenix, this _____ day of _____, 2014.

19 _____
20 JODI JERICH
EXECUTIVE DIRECTOR

21 DISSENT: _____

22 DISSENT: _____

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1 SERVICE LIST FOR: dishNET Wireline, L.L.C.
2 DOCKET NO. T-20752A-14-0067

3 Mr. Matt Bingham
4 Lewis Roca Rothgerber LLP
5 201 East Washington Street, Suite 1200
6 Phoenix, Arizona 85004

7 William Hunt, III
8 Director, Regulatory
9 dishNET Wireline, L.L.C.
10 9601 South Meridian Blvd
11 Englewood, Colorado 80112

12 Mr. Steven M. Olea
13 Director, Utilities Division
14 Arizona Corporation Commission
15 1200 West Washington Street
16 Phoenix, Arizona 85007

17 Ms. Janice M. Alward
18 Chief Counsel, Legal Division
19 Arizona Corporation Commission
20 1200 West Washington Street
21 Phoenix, Arizona 85007

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